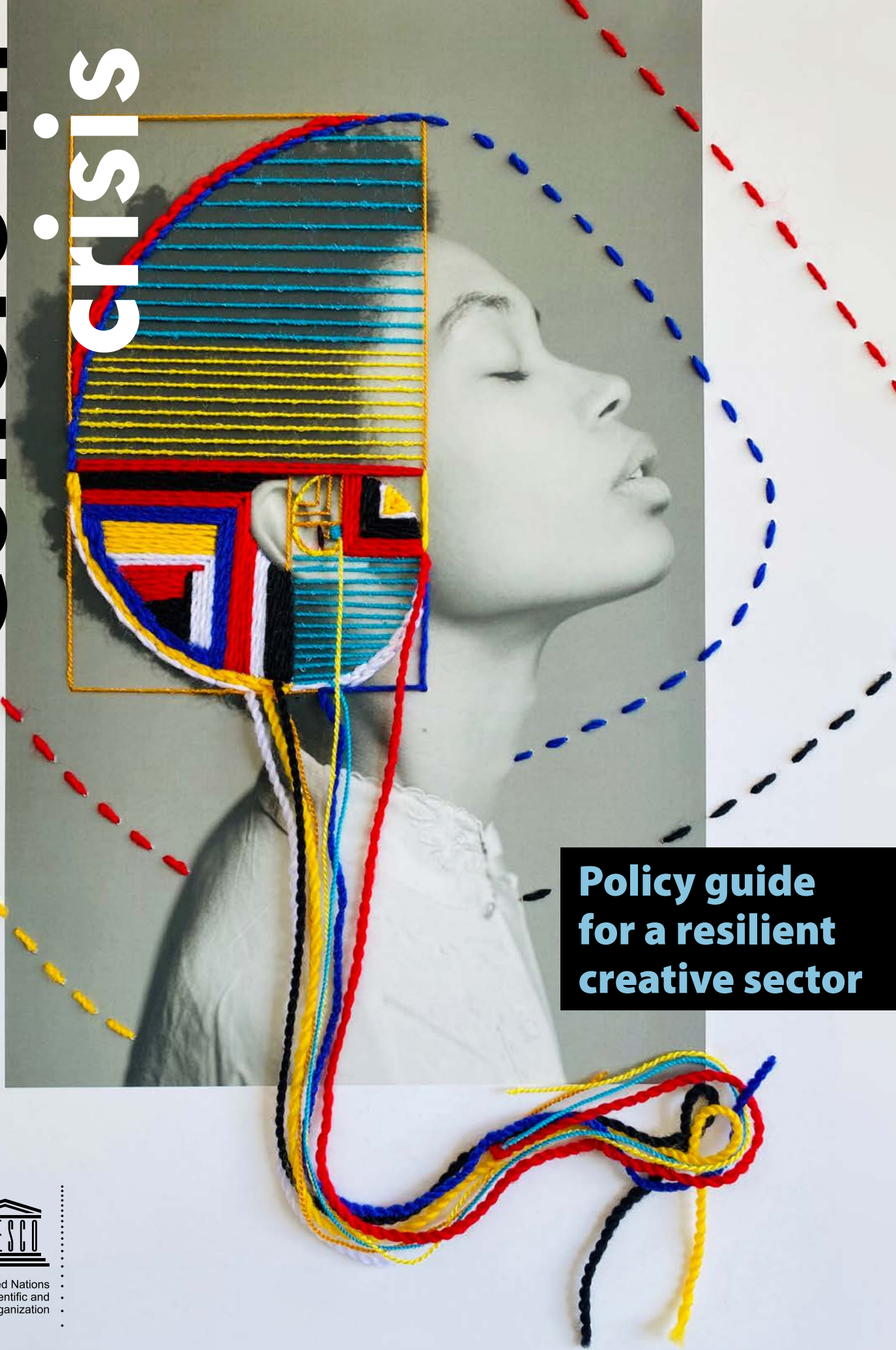


# Culture in crisis



**Policy guide  
for a resilient  
creative sector**



United Nations  
Educational, Scientific and  
Cultural Organization



© Victoria Villasana and Riccardo La Valle\*

UNESCO would like to express its warm gratitude to Charles Vallerand for his invaluable expertise and his extensive contribution to the drafting of this practical guide. The Organization would also like to thank Avril Joffe, the Société de développement des entreprises culturelles (SODEC) of Québec (Louis-Frédéric Gaudet and Annie Provencher) and the Compendium of Cultural Policies & Trends (Janina Pigaht and Sabine Zwart) for their thorough review and for their valuable comments.

This publication was supported by the Republic of Korea's Ministry of Culture, Sports and Tourism.



Ministry of Culture, Sports  
and Tourism

# Culture in crisis

**Policy guide  
for a resilient  
creative sector**



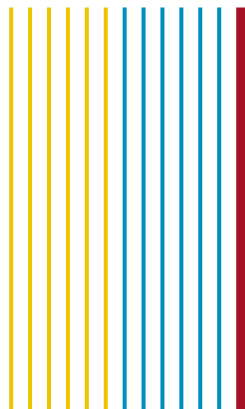
United Nations  
Educational, Scientific and  
Cultural Organization



Diversity of  
Cultural Expressions



## Preface




The COVID-19 pandemic has had a devastating effect on the cultural and creative industries. Around the world, the livelihoods of artists and cultural professionals have been profoundly affected by lockdown and physical distancing measures. The precarious nature of their work has made them particularly vulnerable to the economic shocks caused by the crisis, which have, in turn, exacerbated the creative sector's pre-existing volatility and inequalities. Artists and cultural professionals have lost their jobs in record numbers and around the world, the sector is fighting to survive.

Since UNESCO launched the ResiliArt movement, a series of open-format virtual debates, on 15 April 2020, over 1,000 artists and cultural professionals from around the world have shared their stories and offered recommendations on how the cultural and creative sectors can emerge from the COVID-19 crisis stronger and more united. UNESCO has heard their voices.

Through this guide, UNESCO provides practical guidance to policymakers as they fight for the inclusion of the cultural and creative industries in social and economic recovery plans. In order to comply with health and safety measures, and to adapt to new business models, both financial and technical support has been and will continue to be necessary. However, it is important to recognize the support mobilized thus far has been multifaceted. This guide is an attempt to provide a comprehensive overview of the range of emergency measures adopted by States in support of cultural workers, institutions and industries and a tool for strengthening the resilience of the sector.

At a time when all countries are working towards crafting responses to this unprecedented crisis, UNESCO will advocate for the cultural and creative industries not to be left behind. Not only are they economic drivers and a source of employment for many, especially women and young people, but through the diversity of content they generate, they are also conveyers of meanings and identities, which have proven to be vital throughout the crisis.

The COVID-19 crisis has also revealed a persistent need for improved mechanisms to protect the social, economic and working conditions of artists and cultural professionals. Now, more than ever, the status of the artist must be upheld, strengthened and reinforced. The UNESCO Recommendation concerning the Status of the Artist (1980) has long called for the protection of the social and economic rights of artists and for an integrated approach to legislation on the status of the artist. Measures outlined in this guide should not be seen as temporary solutions but as catalysts for long-term systemic changes that will ensure that artists can continue to inspire and represent us for years to come.

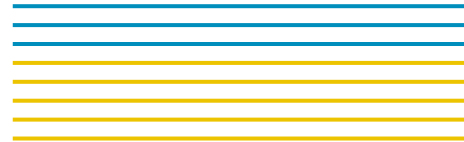


On the 15th anniversary of the UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions (2005), the pandemic reminds us that the adoption of measures and policies to rescue the culture sector should not be at the expense of the diversity of cultural expressions. Yet, the staggering increase in the digitization and online consumption of cultural content, which has only been accelerated by lockdown measures, is generating unprecedented challenges for the protection and promotion of the diversity of both content and creators.

Next year, as the United Nations marks the International Year of Creative Economy for Sustainable Development, it is my hope that the sector's key players, artists but also cultural professionals and entrepreneurs, will play a leading role. It is only by focusing our attention on their working and employment conditions that we can truly place the creative economy at the service of sustainable development and combine economic prosperity with an ever-increasing diversity of ways to express and enjoy creativity.

During this challenging time, artists and cultural professionals have allowed us to stay connected, despite the distance between us. Just as their creativity brought us together, it is now our turn to come together and speak up for them.

**Ernesto Ottone R.**  
Assistant Director-General for Culture of UNESCO



# Practical Guide

I.

**Direct support for artists  
and cultural professionals**



© Yogendra Singh / Unsplash

II.

**Support for sectors  
of the cultural and  
creative industries**



© Alessia Chinazzo / Unsplash

III.

**Strengthening  
the competitiveness  
of the cultural and  
creative industries**



© Martynas Grigonis / Unsplash



## **Direct support for artists and cultural professionals**

- 1** Social benefits
- 2** Commissioning and purchase of works
- 3** Compensation for loss of income
- 4** Skills development



## **Support for sectors of the cultural and creative industries**

- 5** Accelerated payment of aid and subsidies
- 6** Temporary relief from regulatory obligations
- 7** Compensation for business interruption losses
- 8** Relief from taxes and social charges
- 9** Stimulating demand
- 10** Preferential loans
- 11** Strengthening infrastructure and facilities



## **Strengthening the competitiveness of the cultural and creative industries**

- 12** Participatory needs assessments and feasibility studies
- 13** Adapting business models
- 14** Promoting national content
- 15** Tax incentives for foreign investment

# Why a practical guide?

UNESCO has played an important role both with its Member States and with regard to cultural world in protecting and promoting the diversity of cultural expressions during the COVID-19 crisis, by bringing stakeholders together to share knowledge in an extraordinary spirit of solidarity and cooperation.

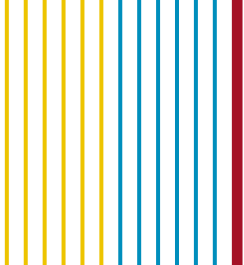
- More than 170 ResiliArt debates in over 65 countries between 15 April and 21 October 2020
- An online dialogue with major intergovernmental organizations (IGO) and regional development banks on 17 April 2020
- An online dialogue with over 130 ministers or vice-ministers of culture on 22 April 2020
- Publication of a weekly “Culture & COVID-19: Impact and Response Tracker” to give an overview of the rapidly changing situation

The crisis has revealed fault lines in the world of arts and culture – weaknesses that were already there but have been exacerbated by the crisis. It has revealed gaps in the social and economic protection available to those at the heart of the cultural and creative industries, the artists and cultural workers who are often freelancers with multiple employers, placing a strain on the schemes that already existed. All artistic activities – workshops, galleries, calls for projects, residencies, courses, fairs, live events, etc. – have suffered as a result of lockdown measures. The longer their recovery is delayed, the more lastingly these activities will be affected.

The crisis has also sped up the digital transformation, raising real questions about the financial viability of cultural enterprises, the media and non-profit organizations and about the working conditions of artists and cultural workers. In short, whether they are viable without State support. Online multinationals that have come to dominate the new economy have consolidated their position. The lack of regulation has taken on even more urgency as a public policy issue, especially in terms of access to data that can be used to elaborate public policy. If nothing is done, culture statistics, which have supported informed cultural policy over the past 50 years, will lose their value for want of access to data on participation in culture in the digital world. This transformation affects creation, production and dissemination as well as accessibility and revenue generation.

The arts and culture community is a fragile ecosystem to which governments have devoted years, if not decades, of patient and methodical support, through cultural policies and major public investment. All these efforts could be for naught unless something is done. Artists will no longer exercise their talents. Creators will no longer be able to practice their trade. Whole swathes of the value chain could go under (think of concert venues, cinemas and community media), which would have a devastating effect both on people’s right to take part in cultural life and on the diversity of cultural expressions. Faced with the globalization of markets and the digital shift, the cultural and creative industries are left with no choice but to adapt by developing new skills, practices and business models.





***The initiatives to be taken must go beyond borders and be motivated by mutual solidarity and support.***

*H. E. Mr Dario Franceschini*

*Minister for Cultural Activities and Tourism, Italy*

However, the crisis has also provided the opportunity for experimentation, some of it altogether novel. Public reaction to these new ways of participating in culture and the financial flows they have generated are a strong indication that these new practices will probably continue post-COVID-19. Cultural operators who have reached new audiences will be trying to secure their loyalty. And it is all the actors, in their diversity, who must have the opportunity to participate in this transformation.


We are living in extraordinary times. Rarely have countries been confronted with a challenge of such magnitude and such seriousness. When faced with adversity, two diametrically opposed options generally arise: the “every man for himself” approach, in which the strongest prevail and the weakest do not survive, or solidarity that relies on inventiveness to find common solutions that are also adaptable. Clearly, UNESCO is bound to take the second approach, to support States in meeting the unprecedented challenges facing the creative sectors.

Through this practical guide, UNESCO sets out to bear witness to the ingenuity of its Member States and to the efforts they have made to protect and promote the diversity of cultural expressions in their territories. Culture as a vector for meaning and identity has become even more vital in times of crisis for people who have lost their bearings.

Faced with the urgency of the situation, exceptional measures have been taken by governments, civil society and the private sector to help artists, creators, cultural bodies, enterprises and institutions to weather the crisis.

This practical guide provides an inventory of them, offering examples of good practice drawn from the various measures adopted by governments and civil society in all parts of the world. Many governments have also implemented measures designed to prepare for the recovery by redeploying existing cultural policies and systems to support the arts and culture. They, too, can be found in this guide.

UNESCO is deeply committed to the protection and promotion of human creativity. This guide contains practical lines of action for those seeking solutions. The Organization aims to bear witness to, and pass on, instructive practices.



***We have always had to revisit and rebuild what we do as a matter of course, not just in a crisis. What we do have now, with technology, is the ability to reach out and connect with others, compare, share and discuss. We need to be building bridges as opposed to building walls.***

*Dame Evelyn Glennie*

*Virtuoso percussionist*

*ResiliArt, International Music Council*

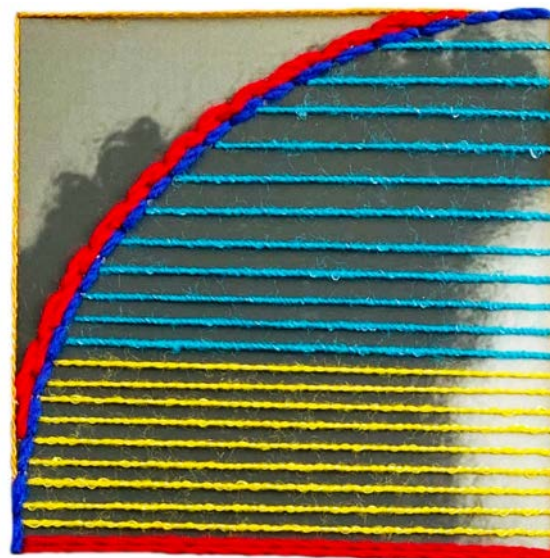
*(28 May 2020)*

# Who is this practical guide for?

Because of the wealth of knowledge it contains, this practical guide can be considered a source of expert advice for those seeking to emulate the measures taken to enable the cultural and creative sectors to weather the crisis, without which the protection and promotion of the diversity of cultural expressions in the medium and long term would be seriously compromised. The practical guide shows a representative sample of the actions taken by UNESCO Member States and civil society in all parts of the world. It differs from other compilations of measures in the arts and culture sector because it strives both to give special attention to the cultural and creative industries and to provide the comparative viewpoints of developed and developing countries, with an emphasis on a broad range of solutions adapted to different national contexts. Political decision-makers, heads of cultural bodies and enterprises, researchers and students will all find specific and concise accounts of the risks and benefits associated with the different measures.



# Methodology



This practical guide is the product of an initiative undertaken by UNESCO to share good practices as a way of mobilizing the international community in a collective effort to support artists and cultural professionals and to guarantee access to culture for all. Based on an initial inventory of the measures adopted at the start of the pandemic, on 22 April 2020, UNESCO led a dialogue with more than 130 ministers and vice-ministers of culture. That first inventory was followed by active monitoring of the news in the French-, English- and Spanish-speaking media to develop a compendium of good practices on the UNESCO<sup>1</sup> website, to serve as a reference for those looking for guidance in elaborating appropriate responses suited to their national contexts. The measures are grouped into major categories to make them easy to locate in the database. In addition to filters by country or by cultural area depending on the type of institution, it is also possible to search according to the desired objective:

- Ensuring income for artists and cultural professionals
- Compensating operational losses and supporting new production
- Creativity as a form of resilience

In the months that followed, the crisis grew worse. Governments, civil society organizations and private foundations grasped the extent of the problem and organized a response, both to help the sector weather the crisis, and to make it more resilient in the face of an uncertain recovery within a context that was already very different from pre-COVID-19.

Compiling this practical guide thus provided an opportunity to delve deeper into the subject, in particular by devoting attention to the measures taken by less developed countries or those with more limited resources, which are nonetheless strongly committed to the protection and promotion of their cultural expressions.

The contents of the practical guide are based on factual observation, with no prior assumptions. The selection and classification of the measures took place only after the broadest possible inventory had been drawn up. The examples of good practice that appear in its pages cannot hope to do justice to the diversity of all the steps taken. They are only a sample of the wide range of measures adopted, the number of which continues to grow as the crisis goes on.

One important caveat must be mentioned. In times of crisis, the risk of incomplete, out of context or even wrong information is high. Given the concern to produce this practical guide swiftly, so that it can provide timely assistance, the distance normally required to be authoritative may sometimes have been lacking. The accuracy of the information was ensured to the best of the Organization's ability, taking into account the need to react quickly and in an ever-changing environment.

1. "COVID-19 Response," UNESCO. Diversity of Cultural Expressions, consulted on 5 October, 2020, <https://en.unesco.org/creativity/covid-19>.

# How to use the practical guide

From mid-March 2020 to date, governments in all parts of the world have been implementing measures aimed at artists and culture workers, cultural enterprises and institutions. This practical guide sets out the crisis interventions found to be effective and to have produced positive benefits, either in responding to the most pressing needs or prompting structural changes designed to help the cultural and creative industries to ready themselves for the “new normal”<sup>2</sup>

This guide is intended to be practical and the style of presentation is geared towards effectiveness, using the fewest words possible without compromising the meaning. The format chosen is that of individual thematic factsheets, for fast, self-contained and targeted viewing. Each factsheet is meant to stand on its own and contains all the necessary information to enable the reader to select only the parts considered most relevant. Measures are grouped into three main kinds of intervention, depending on whether they seek to provide direct support to artists and cultural professionals, to offer assistance to cultural bodies – non-profit organizations, businesses and public institutions – or to strengthen the competitiveness of the cultural and creative sectors as a whole. As with any categorization, it does not systematically capture the complexity of the measures. The categories chosen nevertheless attempt to group measures according to the reader’s interest, although some may apply equally to individual creators as to cultural organizations.

- I. Direct support for artists and cultural professionals**  
Measures intended to allow artists and cultural professionals to continue pursuing their creative work by protecting their income, safeguarding their jobs or providing guaranteed social security
- II. Support for sectors of the cultural and creative industries**  
Measures intended to guarantee the survival of bodies encountering a severe lack of liquidity or cash-flow
- III. Enhancing the competitiveness of cultural and creative industries**  
Measures intended to assist the cultural and creative industries in readying themselves for the new conditions on the domestic market and international trade

Each factsheet includes:

- A description of the measure
- An explanation of its aims and the needs it seeks to address
- A brief survey of the actions to be considered for implementation
- A short list of pitfalls to avoid

At least two examples of good practice are given in each of the factsheets, offering an overview of the diverse initiatives taken in all countries and regions of the world that might be of interest to the international community as a whole.

2. “Les mots de la pandémie : “nouvelle normalité””, *Courrier international*, 15 May, 2020, [www.courrierinternational.com/revue-de-presse/bureau-des-trads-les-mots-de-la-pandemie-nouvelle-normalite](http://www.courrierinternational.com/revue-de-presse/bureau-des-trads-les-mots-de-la-pandemie-nouvelle-normalite).



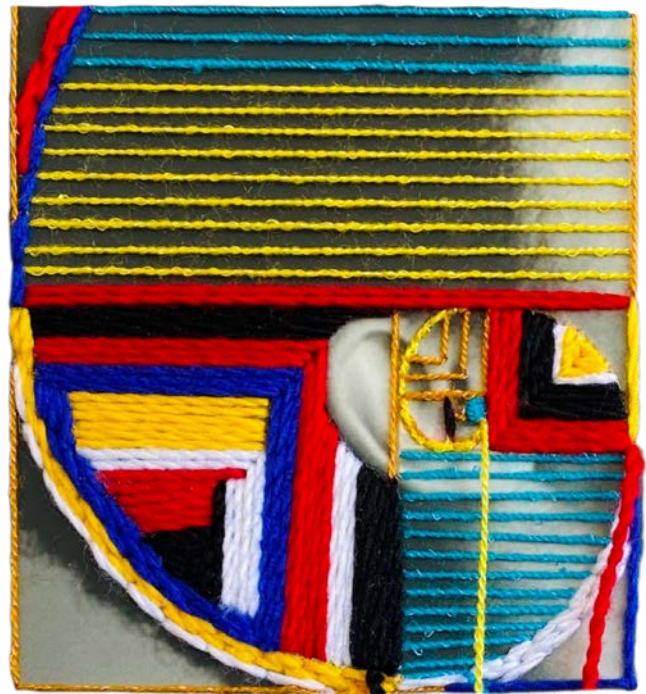
# Observations

The crisis continues to devastate the cultural and creative sector. By March 2020, the global film industry had already lost US\$ 7 billion in income<sup>3</sup> and was forecast to lose an estimated US\$ 160 billion over the next five years. In the music industry, a six-month shutdown could cost more than US\$ 10 billion in sponsorships.<sup>4</sup> Compared to 2019, the world book publishing market is expected to shrink by 7.5% in 2020 as a result of COVID-19.<sup>5</sup>

The crisis and lockdown measures have already had a very significant impact on employment in the cultural and creative sectors. Many artistic institutions and organizations have been forced to close or cut back on staff because of the pandemic. One third of the art galleries questioned by Art Basel<sup>6</sup> had reduced their staffing by half due to the impact of COVID-19. In the film industry, it is estimated that 10 million jobs will be lost in 2020 if the indirect and collateral effects are taken into account.<sup>7</sup>

The COVID-19 pandemic has accelerated the shift toward digital technologies beyond even the most ambitious forecasts. The roll-out of 5G, artificial intelligence and big data was always going to trigger more change and upheaval over the next five years than any other technology in the last thirty years.

According to one estimate<sup>8</sup>, COVID-19 has telescoped five years of advances into the space of three months. The worldwide lockdown has driven our social interactions and our consumption of culture almost entirely into the digital space. The cultural and creative sector has thus become the proving ground for exceptions and limitations on intellectual property regimes in order to facilitate access – albeit in certain circumstances and conditions – to creative content. Streaming of, and access to, creative content has become indispensable in dealing with the adverse conditions of lockdown imposed in response to the COVID-19 crisis. Internet access has become an essential service despite the fact that approximately 46% of the world's population do not have access to an Internet connection.



3. Amy Watson, "Global film industry revenue losses due to the coronavirus 2020," Statista, 18 June, 2020, [www.statista.com/statistics/1104224/film-industry-revenue-loss-coronavirus-worldwide/](https://www.statista.com/statistics/1104224/film-industry-revenue-loss-coronavirus-worldwide/).

4. Stefan Hall, "This is how COVID-19 is affecting the music industry," World Economic Forum, 27 May, 2020, [www.weforum.org/agenda/2020/05/this-is-how-covid-19-is-affecting-the-music-industry/](https://www.weforum.org/agenda/2020/05/this-is-how-covid-19-is-affecting-the-music-industry/).

5. "Global Book Publishers Market 2020-2030: COVID-19 Impact and Recovery," Business Wire, 25 May, 2020, [www.businesswire.com/news/home/20200525005203/en/Global-Book-Publishers-Market-2020-2030-COVID-19-Impact-and-Recovery---ResearchAndMarkets.com](https://www.businesswire.com/news/home/20200525005203/en/Global-Book-Publishers-Market-2020-2030-COVID-19-Impact-and-Recovery---ResearchAndMarkets.com).

6. Clare McAndrew, "The Impact of COVID-19 on the Gallery Sector. A 2020 mid-year survey," Art Basel, consulted on 2 October, 2020, [www.artbasel.com/about/initiatives/the-art-market](https://www.artbasel.com/about/initiatives/the-art-market).

7. "Global Screen Production – The Impact of Film and Television Production on Economic Recovery from COVID-19," Olsberg SPI, 25 June, 2020, [www.o-spi.co.uk/wp-content/uploads/2020/06/Global-Screen-Production-and-COVID-19-Economic-Recovery-Final-2020-06-25.pdf](https://www.o-spi.co.uk/wp-content/uploads/2020/06/Global-Screen-Production-and-COVID-19-Economic-Recovery-Final-2020-06-25.pdf).

8. "The COVID-19 recovery will be digital: A plan for the first 90 days," McKinsey Digital, 14 May, 2020, [www.mckinsey.com/business-functions/mckinsey-digital/our-insights/the-covid-19-recovery-will-be-digital-a-plan-for-the-first-90-days#](https://www.mckinsey.com/business-functions/mckinsey-digital/our-insights/the-covid-19-recovery-will-be-digital-a-plan-for-the-first-90-days#).

Governments have accelerated plans to develop broadband Internet in rural and remote areas, which have become critical for businesses and the education system in particular. Many artists throughout the world have deliberately chosen to offer free access to vast quantities of creative content during the crisis. However, as the World Intellectual Property Organization (WIPO)<sup>9</sup> points out, it is important to ensure that these kinds of flexibility, in the context of the COVID-19 crisis, are targeted on the demonstrated lack of access and limited to the objective of remedying that lack of access for the duration of the crisis.

The measures adopted to face up to the ongoing crisis are mainly of two kinds: either they aim to respond to urgent needs, such as wage support, compensation for losses, social insurance contributions, holidays and fast-tracked aid payments, or they are the same as are found in normal times, but with parameters redrawn to fit the circumstances, such as aid for skills development, investment in infrastructure, market development and so on.

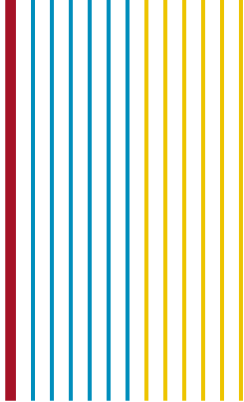
To a very large extent, these intervention mechanisms are not specific to the arts and culture sectors. However, it will be noted that many levels of government – national, regional and local – have come to the aid of creators, bodies and enterprises, acknowledging the fundamental role of these actors and institutions in the wellbeing of communities, a role that has come into even sharper focus in lockdown.

9. Francis Gurry, "Some Considerations on Intellectual Property, Innovation, Access and COVID-19", WIPO, 24 April, 2020, [www.wipo.int/about-wipo/en/dg\\_gurry/news/2020/news\\_0025.html](http://www.wipo.int/about-wipo/en/dg_gurry/news/2020/news_0025.html).

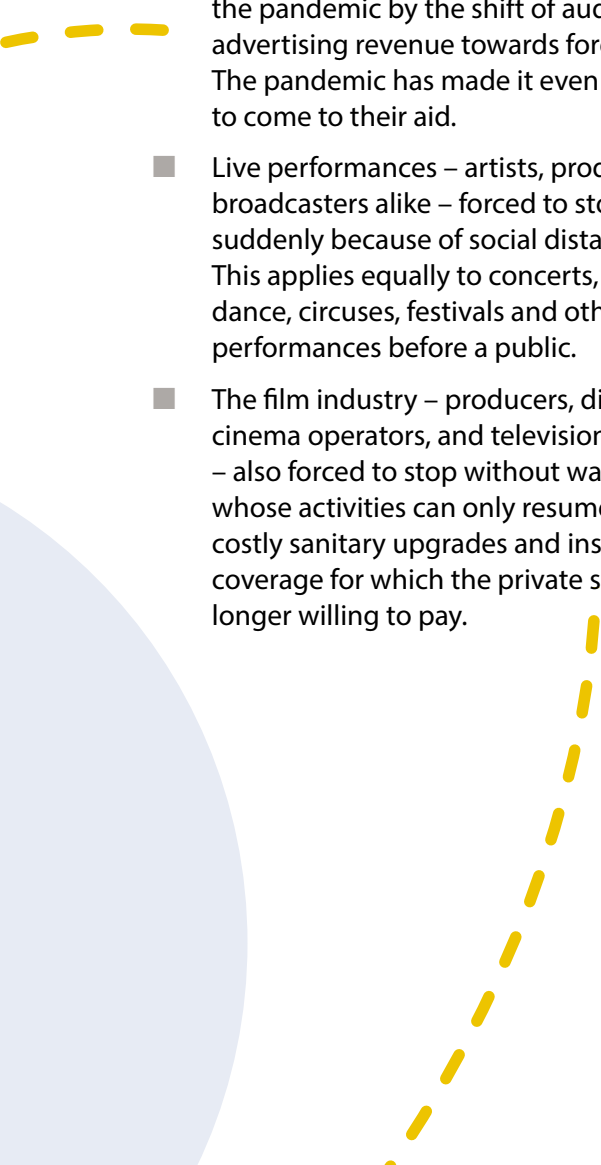
This global overview has highlighted the ingenuity shown by governments throughout the world in putting measures in place that are effective, swift to roll out and adapted to the specific circumstances of the groups for whom the aid was intended. In Africa and Latin America especially, measures aimed at meeting basic needs such as delivering meals or providing social assistance to the poorest households have emerged, bearing in mind that these measures benefit the many artists and creators in the informal sector. Certain collective management organizations also quickly mobilized by paying royalties in advance to authors, composers and performers, many of whom fall between the cracks of the safety net of government aid as they do not meet the criteria for assistance programme dedicated to freelancers or small or medium-sized enterprises.

***We face the challenge  
of turning this crisis into  
an opportunity for the sector  
for which we are responsible.  
Strengthening our institutions  
to offer a public policy on culture,  
guaranteeing cultural services  
to the citizens and the culture sector  
is our priority.***

*H.E. Mr Rubén Darío Capdevila  
Minister of Culture, Paraguay*



Whether developed or developing, all countries have pursued the same objective, namely to minimize the impact of lockdown measures on the cultural and creative sectors while giving them the means to stay afloat during the crisis. Each one has found ways to adapt to their circumstances and capacities. As a whole, governments have undertaken more specific interventions with regard to three major sectors that are particularly hard hit:

- Private, local and community public service media, deemed to be essential services and pillars of democracy. These enterprises were already somewhat stretched before the pandemic by the shift of audiences and advertising revenue towards foreign platforms. The pandemic has made it even more urgent to come to their aid.
  - Live performances – artists, producers and broadcasters alike – forced to stop all work suddenly because of social distancing rules. This applies equally to concerts, theatre, dance, circuses, festivals and other forms of performances before a public.
  - The film industry – producers, distributors, cinema operators, and television production – also forced to stop without warning, and whose activities can only resume through costly sanitary upgrades and insurance coverage for which the private sector is no longer willing to pay.
- 

If a ranking had to be produced of the most widespread measures other than direct financial aid, the winner would be the creation of fee-based platforms for streaming artistic content. Perhaps without fully realizing it, public authorities, through financial support to these platforms, have in practice done what numerous analysts had been suggesting as a response to the growing domination of major online multinationals with their opaque algorithms: setting up a public portal giving access to national content. It will be interesting to see what lessons can be learned from their experiences, which, in a sense, can be considered as the transposition to the digital world of actions taken by public institutions such as national theatres, or broadcastings of major festivals on public holidays.

© United Nations Covid-19 Response / Unsplash





# MEASURES







# I. Direct support for artists and cultural professionals

*Artists and creators receive two types of remuneration: salary and copyright. For many of them, copyright is often derisory or even non-existent. The digital transition has not reversed this trend but rather the contrary. The sums paid for the exploitation of works by the major digital platforms are much less than those generated by the sale of physical media. As a result, more than ever before, salary is becoming the main source of income. In a pandemic, stopping all activity means stopping all salaries. By virtue of the varied nature of their professional status (as employees, freelance workers or self-employed) and the often informal nature of their activity, workers in the culture sector can miss out on aid that is generally available. The need therefore arises to devise measures that are specifically intended for them.*

- 1 Social benefits
- 2 Commissioning and purchase of works
- 3 Compensation for loss of income
- 4 Skills development

# Social benefits

## Description of the measure

Artists are for the most part self-employed workers whose status is precarious and whose income is irregular, and who work for long periods without being paid. The result is a lower tax contribution, which limits their access to social security, pensions and other social benefits. Piracy of works and failings in the collection of royalties, especially in developing countries, aggravate the situation. In these countries, creators live in highly precarious conditions made worse with age and risk of illness. Since a large proportion of cultural activity is informal, workers are inadequately documented or not documented at all. The situation is not radically different in Europe either. In a recent press release, the Society of Audiovisual Authors (SAA), whose members are 33 collective management societies in 25 European countries, complained of the lack of a European status for authors and artists that would guarantee them access to employment rights, social protection and pensions. Social protection measures, such as unemployment or last-resort assistance, are often similar to those designed to guarantee a replacement income. Both pursue the same objective. However, social measures differ in that they are generally the same for all workers.

## Why choose this measure?

- To recognize the contribution of artists and creators to the development and wellbeing of societies.
- To enable artists and cultural professionals to retain a minimum level of dignity and to benefit from income protection and social security to continue practicing their profession while providing for their needs.
- To allow artists to benefit from the rights conferred on a comparable category of the working population by national and international laws on employment, living and working conditions.
- To prevent a situation in which too many artists and culture workers switch to other careers, and further widening the inequalities of opportunity in access to professional careers in culture.
- To demonstrate solidarity with those citizens whose contribution has proved even more vital in lockdown.

## Actions to consider for implementation

- Partner with intermediaries such as associations, regions and municipalities to identify eligible artists and cultural professionals and consider entrusting them with the management of social benefits, as they are closest to the needs.
- In order to encourage the identification of artists and cultural professionals necessary for the granting of social benefits, highlight the other advantages: adding one's voice to collective actions for advocacy and representation, receiving commissions for works, being eligible for public aid, participating in surveys on the identification of needs and cultural statistics and the design of support programmes for creation.

## Pitfalls to avoid

- Avoid arbitrariness and opacity by establishing clear and transparent eligibility criteria that distinguish, among others, those wishing to make the practice of art their main source of revenue.
- Make sure that proper social protections adapted to the special circumstances of creators, whose professional activity is intermittent, are not seen as handouts but as providing the necessary conditions for artists to be able to devote themselves to their chosen profession.

## Examples of good practice



### Côte d'Ivoire

On 1 April 2020, the Ivorian Copyright Bureau (BURIDA) set up a Commission for emergency aid to ill Burida<sup>1</sup> associates, which provides sick members with assistance, identifies members and associates suffering from illnesses who require financial assistance from the institution, makes proposals to its senior management on the financial support that could be provided to its members and associates and monitors the financial aid given to sick beneficiaries. To obtain the aid, members meeting the conditions for assistance must submit their medical files to the Commission.



### Luxembourg

On 3 April 2020, the Government set up a temporary aid system for businesses in financial difficulty and introduced a social assistance scheme for freelance professional artists and entertainment industry workers in exceptional cases such as acts of terrorism or epidemics.<sup>2</sup> The scheme allows qualifying persons to be paid monthly social assistance up to the level of minimum wage, on condition that their difficulties stem from an exceptional event. It also guarantees additional daily subsistence payments, on condition that the exceptional event prevents the entertainment worker from providing their services as determined by law (examples include the cancellation of exhibitions or concerts, or the cancellation or postponement of film productions or live shows).



### Republic of Korea

Starting in December 2020, the Ministry of Culture, Sports and Tourism will introduce an employment insurance scheme for artists, which will guarantee that artists and culture workers confronted with financial difficulties can pursue their artistic activities. Freelance artists will be able to claim unemployment benefits (120 to 270 days) and allowances on the birth of a child if they fulfil certain criteria, including complying with the required period of contribution to the insurance scheme (9 out of 24 months) and the minimum period of employment (3 out of 24 months).<sup>3</sup>



### Zimbabwe

The Government has set up the Athletes and Arts Relief Fund (AARF) valued at 20 million Zimbabwean dollars (US\$ 55,000) to come to the aid of artists and athletes whose activities and income stream have been negatively affected by the COVID-19 pandemic.<sup>4</sup> The aid fund for artists is distributed via the National Arts Council of Zimbabwe (NACZ).<sup>5</sup> Artists can obtain grants of up to 5,000 Zimbabwean dollars (US\$ 13.8), and artists' associations and social organizations registered with the National Arts Council or the National Gallery of Zimbabwe can obtain up to 7,500 Zimbabwean dollars (US\$ 20.7).

1. Serges N'Guessant, "Bureau ivoirien du droit d'auteur : Une commission d'aide aux artistes malades instituée," *Fraternité Matin*, 5 April, 2020, <http://beta.fratmat.info/article/203419/Culture/bureau-ivoirien-du-droit-dauteur-une-commission-daide-aux-artistes-malades-instituee>.

2. "Covid-19 : Mise en place d'un régime d'aides en faveur des artistes professionnels indépendants et des intermittents du spectacle," Government of the Grand Duchy of Luxembourg, 6 April, 2020, [https://gouvernement.lu/fr/actualites/toutes\\_actualites.gouv\\_mc+fr+actualites+mes-actualites+2020+Avril+covid-19\\_regime\\_aide\\_artistes\\_intermittents.html](https://gouvernement.lu/fr/actualites/toutes_actualites.gouv_mc+fr+actualites+mes-actualites+2020+Avril+covid-19_regime_aide_artistes_intermittents.html).

3. "Korea's policy responses to Covid-19: Building resilience for culture, sports and tourism," Ministry of Culture, Sports and Tourism of the Republic of Korea, 27 May, 2020, [https://kccuk.org.uk/media/documents/Responses\\_to\\_covid-19\\_ROKfinal.pdf](https://kccuk.org.uk/media/documents/Responses_to_covid-19_ROKfinal.pdf).

4. "Govt to extend grants to artists," *The Herald*, 8 April, 2020, [www.herald.co.zw/govt-to-extend-grants-to-artists/](http://www.herald.co.zw/govt-to-extend-grants-to-artists/).

5. "Framework for application and disbursement of the Covid-19 Athletes and Artists Relief Fund (AARF) for - July, 2020," National Gallery of Zimbabwe, consulted on 2 October, 2020, [www.nationalgallery.co.zw/index.php/inspire/projects/project/170-framework-for-application-and-disbursement-of-the-covid-19-athletes-and-artists-relief-fund-aarf-for-july-2020](http://www.nationalgallery.co.zw/index.php/inspire/projects/project/170-framework-for-application-and-disbursement-of-the-covid-19-athletes-and-artists-relief-fund-aarf-for-july-2020).

*As artists do not usually have fixed or regular income, they might be more vulnerable to the economic impact of the COVID-19 crisis. As such, we will ensure that artists can devote themselves to creative works in a stable environment through the employment insurance.*

*Choi Sunghee*

*Director, Arts Policy Division, Ministry of Culture, Sports and Tourism, Republic of Korea*

# Commissioning and purchase of works

## Description of the measure

Public institutions commission creative works and make acquisitions in the normal course of their activities, whether they are museums, public libraries, national theatres or public broadcasters. In many countries, national, regional and local governments and their institutions are the main players in this market for the commissioning and purchase of works. This support goes directly to the artists and creators. The benefit is immediate, making this an effective measure in times of crisis. Unsurprisingly, a number of States have taken such action, either to bring forward spending that was already budgeted, or to compensate for a flagging market. Some funding agencies have also brought forward calls for applications and funding awards. As well as supporting national creativity, governments have made these artistic productions accessible to a public forced into lockdown, encouraging their citizens to take part in cultural life. In this way, they have helped to showcase their national creations, rather than leaving the field clear for foreign-produced works. Several initiatives have resulted in websites dedicated to this new creative work, offering an alternative to the increasing power of foreign channels and content. These measures have been particularly effective for artists and troupes normally performing in front of audiences (singing, music, dance, theatre).

## Why choose this measure?

- To ensure income in a context where private demand is very low or non-existent.
- To stimulate creativity, maintain artists in a state of creation and give continuity to their relationship with the public; to make the creator and their work the focus of public attention.
- To mobilize government spending and borrowing power.
- To provide access to meaningful cultural content that strengthens the sense of belonging and social cohesion.
- To enrich the national heritage of works, experiment with new methods of creation and dissemination, broaden the public, and establish new channels for distribution.

## Actions to consider for implementation

- Establish a fair selection process (avoid acting in an arbitrary manner under the pretext of urgency), including by delegating responsibility to people outside of ministries.
- Set a "fair" remuneration.
- Make it clear that commissioning new creative works is not the acquisition of copyright.
- Design transparent, rigorous commissioning programmes that will meet the requirements of future audits.

## Pitfalls to avoid

- Care should be taken when making works free of charge, so as not to create precedents and/or undervalue the work of the artist and/or allow the perception that culture is the exclusive responsibility of the State or a matter for public investment.
- Avoid making creators solely responsible for the promotion and distribution of their work, without additional means of support: creating them is not enough. To reach an audience, new distribution channels, including a website, are needed, and it may be necessary to work with the established ones (public service media, for example).
- Ensure that the exceptionality of the situation does not lead to a potential seizure of power by the directors of public institutions, beyond the usual, which could result in more exclusive or even discriminatory programmes.



## Examples of good practice



### Argentina

In Argentina, the National Commission of Popular Libraries (CONABIP) has established a virtual option to provide materials and equipment for public libraries, as well as to contribute to the long-term viability of book publishers who had already been facing a drop in production and sales before the crisis. The aim of the *LIBRO% 2020 a distancia*<sup>1</sup> programme is to help Argentina's public libraries acquire reading materials and equipment depending on the needs of their community, at 50% reduced rate. This year, CONABIP and the Ministry of Culture have doubled their investment in the programme. The funds earmarked for the Book Fair have been redirected to the previously announced budget of 47 million Argentine pesos (US\$ 729,168).



### Cabo Verde

The Ministry of Culture has launched "EnPalco100Artistas" (100 artists on stage), which has given a lump sum grant to 100 artists whose work has been published on a free-to-access online platform. The initiative includes artists from the visual arts, dance, music, theatre, drama, poetry and literature sectors who are allocated slots of 10 to 15 minutes each. Following the success of the first edition, funded by the Government, a second edition funded by the European Union has been launched.<sup>2</sup> Each artist has been awarded a grant of 10,000 escudos (US\$ 100) or 60% of that amount if they have already received any other COVID-19-related benefit from the State.



### Germany

In August 2020, the Government increased its budget for art acquisitions from 500,000 euros (US\$ 581,544) to 3 million euros (US\$ 3.5 million) as part of a new cultural initiative aimed at helping artists, galleries and dealers affected by the pandemic.<sup>3</sup> The Government will buy around 150 works sourced from art fairs, small galleries or directly from the artists' studios. Each work will be selected on the basis of the recommendations of five jury members, who will sit for a period of five years.



### United Arab Emirates

Following the cancellation of Art Dubai, the biggest international artistic event in the United Arab Emirates, the Office of Public and Cultural Diplomacy of the Ministry of Foreign Affairs purchased works of art produced by Emirati artists for over 1.5 million Emirati dirhams (US\$ 408,000).<sup>4</sup> The artworks will be placed in the embassies of the United Arab Emirates through the "Artists in Embassies" programme. Though devised before the epidemic, the programme has been launched by the Ministry of Foreign Affairs as a way of supporting the artistic community in the face of the crisis.

1. Programa Libro%, CONABIP, consulted on 2 October, 2020, [www.conabip.gob.ar/sites/default/files/CIRCULAR\\_EDITORIALES\\_CONABIP\\_2020LIBRO\\_PORCIENTO\\_DISTANCIA.pdf](http://www.conabip.gob.ar/sites/default/files/CIRCULAR_EDITORIALES_CONABIP_2020LIBRO_PORCIENTO_DISTANCIA.pdf).

2. Dulcina Mendes, "2ª Edição do programa "EnPalco100Artistas" financiado pela União Europeia," *Expresso das Ilhas*, 19 May, 2020, <https://expressodasilhas.cv/cultura/2020/05/19/2a-edicao-do-programa-enpalco100artistas-financiado-pela-uniao-europeia/69536>.

3. "Germany increases national art acquisition budget by 600 percent," *Artforum*, 5 August, 2020, [www.artforum.com/news/Germany-Increases-National-Art-Acquisition-Budget-by-600-83648#](http://www.artforum.com/news/Germany-Increases-National-Art-Acquisition-Budget-by-600-83648#).

4. "Foreign Ministry supports UAE artists by purchasing their fine artwork," UAE Ministry of Foreign Affairs and International Cooperation, 30 March, 2020, [www.mofaic.gov.ae/en/mediahub/news/2020/3/30/30-03-2020-uae-artwork](http://www.mofaic.gov.ae/en/mediahub/news/2020/3/30/30-03-2020-uae-artwork).

*With the cancellation of the many art events that were scheduled to take place this season, we wanted to send a message of solidarity to our artists. It is a message that demonstrates our deep appreciation and support for the local arts and acknowledges that they are a critical part of the national identity.*

*H.E. Mr Zaki Nusseibeh  
Minister of State, United Arab Emirates*

## Compensation for loss of income

### Description of the measure

The vast majority of the measures taken by States during the COVID-19 crisis have been geared to compensating revenue loss, both for individual creators and for cultural and creative enterprises as well as non-profit organizations and public institutions. In this respect, the replacement income is equivalent to unemployment insurance, with the difference, however, that it is not linked to the complete cessation of employment. In fact, the purpose of the wage support paid to creators and cultural organizations was to enable them to continue their activities. The compensation is therefore more akin to a subsidy. The financing of the measure comes from a specific budget allocation, where social assistance is normally financed from funds provided by employers' and employees' contributions. Faced with the risk of another wave and an uncertain recovery, governments have had to extend these measures and ensure that all creators whose artistic work was their main source of income were covered. In some countries, it was first necessary to identify those eligible for this type of income through an initial census of artists and culture workers that can be maintained and supplemented to speed up aid payments in the future. These are measures exceptional in their scope and scale, which in some countries (including Canada, South Africa, the United States of America and the United Kingdom of Great Britain and Northern Ireland) have revived the debate about a universal basic income for artists.

### Why choose this measure?

- To stem the loss of talent and know-how that could take years to rebuild.
- To prevent the social distress often associated with financial issues and offer all citizens, without exception, the same chances of weathering the crisis.
- To support essential household spending and economic activity.

### Actions to consider for implementation

- The system must be simple to understand and administer. Aid must reach beneficiaries promptly to cover basic living expenses such as housing, food and medicines.
- For speed and efficiency, consider outsourcing administration to bodies in the sector with experience in programme management and working with different levels of government, as well as the capacity to reach the target groups without the need for intermediaries.
- Women occupy a higher proportion of precarious jobs in the culture sector. To avoid increasing pre-existing inequalities, it is necessary to consider how the most vulnerable, including women and youth, can be supported by such measures.

### Pitfalls to avoid

- Compensating revenue losses must be both adequate to compensate for the loss incurred and subject to conditions that stimulate a return to paid work upon resumption, otherwise labour will be scarcer.
- Avoid eligibility criteria that make the system complex and difficult to understand, and that discourage potential beneficiaries from applying.

## Examples of good practice



### Africa

The African Culture Fund (ACF) has set up the Solidarity Fund for African Artists and Cultural Organizations (SOFACO) to boost creative work and rebuild the social fabric of the African arts sector faced with the COVID-19 crisis. The Fund has issued one call for proposals for artists and another for cultural organizations. The one directed at artists, known as “Lot 1 Special COVID-19 – #1/ARTISTS” provides individual bursaries worth US\$ 2,000, covering a maximum period of four to six months. This is an aid or grant awarded to an artist to cover the provisional payment of his or her salary or remuneration lost or suspended because of COVID-19. Suitable creative work in the COVID-19 context is any artistic creation or innovation that can be adapted to the context of the COVID-19 pandemic or which enables the artist to continue to work despite the crisis situation.<sup>1</sup>



### Bulgaria

The Government has launched a three-month programme of financial support for all freelance workers in the cultural field whose monthly earnings were less than 1,000 leva (US\$ 595) according to their 2019 tax return.<sup>2</sup> Those eligible include actors, artists, dancers, musicians, writers and all other persons doing freelance work in culture, who received a minimum wage during the two-month state of emergency and for one month afterwards. Applications were submitted online to the Ministry of Culture, allowing aid to be given to some 1,200 people, at a cost of around 2.7 million leva (US\$ 1.6 million). In addition, the jobs of those employed by State cultural institutions were guaranteed for six months.



### Lithuania

The Government adopted the Economic and Financial Action Plan for COVID-19 that focuses on ensuring the health of the population, helping small and medium-sized businesses, and stimulating employment and the economy. The plan provides for an allocation of 50 million euros (US\$ 58.9 million) for self-employed persons who have contributed to social security but are unable to carry out their working activities due to lockdown measures. The plan also provides a lump-sum of 257 euros (US\$ 301) per month for up to three months. This provision also applies to self-employed persons in the cultural and creative industries. Two million euros (US\$ 2.3 million) were also allocated to the Artists Social Security Programme<sup>3</sup> to pay for the creative downtime of artists unable to generate income due to lockdown measures. The Ministry of Culture is currently implementing this measure.



### Philippines

The National Commission for Culture and the Arts (NCCA) of the Philippines has given tax-free financial aid of 5,000 Philippine pesos (US\$ 103) to 800 artists and culture workers affected by the period of quarantine imposed in response to COVID-19. Artists and self-employed culture workers with no regular income and not receiving any benefits were given priority. Members of the Executive Board of the 19 national committees of the NCCA, representing various culture sectors, selected 35 priority beneficiaries. The Artists Welfare Foundation of the Philippines Inc. organization, whose mission is to provide assistance to artists in need because of their health, age or infirmity, also identified 135 artists in its network.<sup>4</sup>

1. “Fonds de Solidarité pour les Artistes et les Organisations culturelles en Afrique (SOFACO);” African Culture Fund, consulted on 2 October, 2020, [www.africanculturefund.net/wp-content/uploads/2020/05/FR-Lignes-directrices\\_ACF\\_SOFACO\\_ARTISTES\\_22052020.pdf](http://www.africanculturefund.net/wp-content/uploads/2020/05/FR-Lignes-directrices_ACF_SOFACO_ARTISTES_22052020.pdf).

2. “Covid-19: Bulgaria announces support scheme for lowest-earners in cultural field;” Sofia Globe, 10 April, 2020, <https://sofiaglobe.com/2020/04/10/covid-19-bulgaria-announces-support-scheme-for-lowest-earners-in-cultural-field/>

3. “COVID-19 Measures for culture and creative sector in Lithuania”, Ministry of Culture of the Republic of Lithuania, 10 April, 2020, <https://lrkm.lrv.lt/en/news/covid-19-measures-for-culture-and-creative-sector-in-lithuania>.

4. Artists Welfare Foundation of the Philippines, consulted on 2 October 2020, <https://artistswelfarefoundationphilips.blogspot.com/>.

## Skills development

### Description of the measure

The pandemic has put life on hold. Why not take advantage of this to conduct new experiments, develop fresh skills and work on projects adapted to new market conditions? Skills development is aimed at the individual artist as well as at managers of companies and cultural and creative associations who have found themselves in crisis management overnight. By offering development grants or online training free of charge, governments have encouraged creators and managers to reinvent themselves in the face of the unprecedented challenges presented by the pandemic and the shifts in modes of production and consumption in the digital age. In the same way as the commissioning of works of art, training paid for in the form of grants has made it possible to avoid the complete cessation of professional activity, with the added advantage of creating a more resilient body of skilled workers. Throughout the health crisis, the arts and culture sectors have witnessed a wave of solidarity, making common cause in the search for solutions. These are actions that will produce long-term benefits, as the shift in consumption habits towards the digital environment will not end with the lifting of lockdown.

### Why choose this measure?

- To prepare for the recovery by investing in training, research and development.
- To help professionals adapt to new digital ways of working and new consumer habits.
- To experiment with new modes of artistic creation traditionally geared to the presence of live audiences.
- To advance the state of skills and knowledge, leading to new and diverse forms of expression.
- To foster the development of skills, which can be of great value to both the creator and the artistic discipline.

### Actions to consider for implementation

- Consider the entire value chain: creation, production, distribution and consumption. Support the creative aspect as well as skills in management, networking, collaboration, partnerships and digital skills for creation, production and dissemination.
- Stimulate skills development to transfer knowledge, while allowing space for creative freedom. Encourage and support, but do not impose conditions.
- Favour knowledge sharing. Lessons learned should be shared for the benefit of all, to make the culture sector even more resilient.

### Pitfalls to avoid

- New learning will not be consolidated unless it can be put into practice within a reasonable time, failing which there is a risk of reverting to pre-existing practices. Skills development programmes risk being inefficient if not accompanied by plans for project funding and public dissemination.
- All time devoted to learning should be well spent, avoiding giving the impression that it is a stopgap until normal work can resume; also, time should be allowed for feedback and group interaction.
- Experimentation will show whether or not the lessons learned are useful. Feedback will be helpful in adjusting the content of the teaching.
- This is a rare opportunity to devote time to learning, and capacity building will benefit – but it must not stop when the recovery comes.



## Examples of good practice



### Australia

The Australia Council for the Arts has launched the Creative Connections initiative as part of its rescue strategy to support the livelihoods, practices and functioning of Australian artists, arts groups and organizations during the COVID-19 pandemic. Creative Connections is a series of online webinars for the culture and arts sectors.<sup>1</sup> It offers content that is practical, accessible and useful, presented by industry experts, on key topics and emerging themes. The central theme of the series is adaptation, and the sessions deal with digital adaptation, adaptation in leadership and adaptation of artistic practices. Each week industry experts, artists and digital adapters discuss the solutions and ideas that inform the industry.<sup>2</sup>



### Chile

The Ministry of Labour and Social Protection and the Ministry of Culture, Arts and Heritage (Ministerio del Trabajo y Previsión Social y Ministerio de las Culturas, las Artes y el Patrimonio) has developed a measure whereby Chileans can register free of charge for online courses with the help of a grant, via the Coursera platform.<sup>3</sup> Some 3,000 grants have been made available, making for easier access to education and jobs in performing arts, music, design and audiovisual. The platform brings together 200 of the world's leading universities, allowing broader, high-quality education to be accessed remotely from Chile. This measure provides for courses on electronic commerce and digital marketing as well as training on copyright, museums and cultural donations. The grants made available under this initiative have been specially designed for persons wishing to diversify their skills.



### Indonesia

The Culture Directorate General of the Ministry of Education and Culture (Kementerian Pendidikan dan Kebudayaan<sup>4</sup>) has launched a digital campaign, #bahagiadirumah (Happy at Home).<sup>5</sup> As part of this initiative, the YouTube channel Budaya Saya (My Culture) has been set up to stream different types of entertainment, including music, dance, workshops, storytelling and theatrical performances. The artists are also invited to offer online masterclasses to share their knowledge and experience. This platform seeks to give artists a space to gain visibility in spite of the cancellation of many events, and to promote artistic collaboration in view of future developments.



### Singapore

In mid-March the National Arts Council announced the Capability Development Scheme for the Arts (CDSA) to benefit arts organizations and artists.<sup>6</sup> The CDSA supports skills upgrading across various disciplines, including art making, digitalization, entrepreneurship and audience development. To date around 600 training opportunities have been supported, benefiting over 200 arts organizations and self-employed workers in the arts sector. To alleviate the financial burden on artists and arts organizations, 50% of the CDSA subsidies are paid in advance as soon as they sign up. A broad range of programmes are eligible for the CDSA, including workshops, masterclasses, seminars, lectures, professional programmes and residencies. Online training programmes can also receive support, provided the areas of training relate to the arts and culture sector.

1. "Creative Connections," Australia Council for the Arts, consulted on 2 October, 2020, [www.australiacouncil.gov.au/programs-and-resources/creative-connections/](http://www.australiacouncil.gov.au/programs-and-resources/creative-connections/).

2. "Think Inside The Square," Australia Council for the Arts, consulted on 2 October, 2020, [www.australiacouncil.gov.au/programs-and-resources/think-inside-the-square/](http://www.australiacouncil.gov.au/programs-and-resources/think-inside-the-square/).

3. "Ministerios del Trabajo y de las Culturas lanzan 3.000 becas gratuitas de capacitación para artes escénicas, música, diseño y audiovisual," Ministry of Culture, Arts and Heritage, 31 August, 2020, [www.cultura.gob.cl/convocatorias/ministerios-del-trabajo-y-de-las-culturas-lanzan-3-000-becas-gratuitas-de-capacitacion-para-artes-esenicas-musica-diseno-y-audiovisual/](http://www.cultura.gob.cl/convocatorias/ministerios-del-trabajo-y-de-las-culturas-lanzan-3-000-becas-gratuitas-de-capacitacion-para-artes-esenicas-musica-diseno-y-audiovisual/).

4. Kementerian Pendidikan dan Kebudayaan, consulted on 2 October, 2020, <https://www.kemdikbud.go.id/>.

5. Ni Nyoman Wira, "Online theater performance give artists a voice amid pandemic," *The Jakarta Post*, 8 April, 2020, [www.thejakartapost.com/life/2020/04/08/online-theater-performance-give-artists-a-voice-amid-pandemic.html](http://www.thejakartapost.com/life/2020/04/08/online-theater-performance-give-artists-a-voice-amid-pandemic.html)

6. "Sustaining the Arts during Covid-19," National Arts Council of Singapore, consulted on 5 October, 2020, [www.nac.gov.sg/whatwedo/support/sustaining-the-arts-during-covid-19/Sustaining-the-arts-during-Covid-19.html](http://www.nac.gov.sg/whatwedo/support/sustaining-the-arts-during-covid-19/Sustaining-the-arts-during-Covid-19.html).

# MEASURES







# Support for sectors of the cultural and creative industries

*The arts and culture are sectors of the economy that, in many countries, normally benefit from State aid for multiple reasons: promoting broader access, ensuring the viability of operators, compensating for narrow domestic markets, stimulating supply and encouraging risk-taking. In times of crisis, governments have sometimes intervened to compensate for losses caused by the sudden halt to activity and revenue. The following measures are similar to the ones aimed at creators, but are directed at operators in the public, private and voluntary sectors.*

- 5** Accelerated payment of aid and subsidies
- 6** Temporary relief from regulatory obligations
- 7** Compensation for business interruption losses
- 8** Relief from taxes and social charges
- 9** Stimulating demand
- 10** Preferential loans
- 11** Strengthening infrastructure and facilities

# Accelerated payment of aid and subsidies

## Description of the measure

Certain funding agencies have, on an exceptional basis, redirected funds earmarked for projects to the operating expenses of cultural bodies as it became unlikely that those projects (festivals, theatre productions, dance, music, international tours, etc.) would go forward. Contrary to the established practice whereby grants are disbursed in installments upon proof of expenditure for each stage of the project, the majority, if not all the funds, are disbursed upfront. Funding agencies have insisted that the aid should be used to maintain jobs and should go to the workers, but that has not always been the case. This practice has proved very popular in artistic and cultural circles with little financial flexibility, and especially for creative writing, performing arts or audiovisual enterprises. Despite this, it would not be surprising if some of the exceptional rules adopted during the pandemic became standard practice.

## Why choose this measure?

- It helps creators and cultural bodies deal with the lack of liquidity.
- It enables cultural bodies to continue paying their fixed expenses (wages, rent and taxes).
- It gives cultural bodies and the creators they employ the means to stay in business and invest in the development phase of new projects, in readiness for the recovery.

## Actions to consider for implementation

- Accelerated payment is not intended to cover losses incurred by the cancellation of activities. It merely accelerates the disbursement of already budgeted assistance.
- Although national governments have acted swiftly in many countries, international cooperation and international funders have an important role to play. Their support may be particularly necessary for concert venues and other events with larger audiences which, due to their international nature, cannot benefit from national support measures.

## Pitfalls to avoid

- Insist that beneficiary bodies and enterprises use the funds for the purposes intended: maintaining employment, paying rent, etc., while establishing appropriate control mechanisms. Funds must not be used to repay debts or invest in infrastructure.

*Any development plan or activities have to take culture into consideration, not only because it is good for the soul but also because it is an economic activity.*

*Basma El-Husseiny  
Cultural manager and cultural governance expert  
ResiliArt Yemen (18 May 2020)*



## Examples of good practice



### Brazil

With the cancellation of live performances and events in Brazil, a copyright prepayment plan was approved by the Central Royalties Collection and Distribution Office (Escritório Central de Arrecadação e Distribuição – ECAD) and national partner associations (Abramus, Amar, Assim, Sbacem, Sicam, Socinpro and UBC).<sup>1</sup> An amount of 14 million Brazilian reais (US\$ 2.5 million) was advanced to around 22,000 Brazilian composers, musicians and singers, with an average annual income between R\$ 500 (US\$ 90) and R\$ 36,000 (US\$ 6,490) over the last three years (2017, 2018 and 2019). Royalty holders whose average annual income was less than R\$ 12,000 (US\$ 2,162) over the last three years will receive an advance of R\$ 600 (US\$ 108) divided into three payments.



### Canada

The Canada Council for the Arts paid out 60 million Canadian dollars (US\$ 44.8 million) in advance funding, the equivalent of 35% of its annual grants to over 1,100 bodies receiving a basic subsidy.<sup>2</sup> The advance payments, issued automatically by the Council, allow bodies receiving the basic subsidy to honour their immediate commitments, including outstanding payments to artists and culture workers employed by them. The measure aims to stabilize the arts and culture sector grappling with the consequences of the cancellation of public events and the forced halt of arts programming. Quebec's Council for Arts and Letters (CALQ) and the Society for the Development of Cultural Enterprises (SODEC) adopted similar measures.

1. "Brazil's ECAD advances performance royalties," *IQ Magazine*, 15 April, 2020, [www.iq-mag.net/2020/04/brazil-ecad-advances-performance-royalties/#](http://www.iq-mag.net/2020/04/brazil-ecad-advances-performance-royalties/#).

2. "60 millions de dollars en financement anticipé pour stabiliser le cœur du secteur artistique face à la crise de la Covid-19," Canadian Arts Council, 30 March, 2020, <https://conseildesarts.ca/medias/2020/03/financement-anticipe>.



### Senegal

The Senegalese Copyright and Related Rights (SODAV) set up a fund for 120,603,932 CFA (US\$ 200,000) to support culture in Senegal.<sup>3</sup> The aid takes the form of a payment of literary and dramatic rights for 2019 and advances on rights for 2020, calculated on the basis of 30% of the average of the last three amounts received. In view of the limited resources and in order to ensure that the maximum number of people benefit, the highest income is capped at 500,000 CFA (US\$ 800). In the same logic of solidarity, all those who, after calculation, find themselves with no income or less than 30,000 CFA (US\$ 48), will receive 30,000 CFA (US\$ 48) from the social fund.

3. "La Sodav annonce un fonds de 120 603 932 F Cfa pour le monde de la culture," *Dakaractu*, 8 May, 2020, [www.dakaractu.com/Coronavirus-La-Sodav-annonce-un-fonds-de-120-603-932-F-Cfa-pour-le-monde-de-la-culture\\_a187863.html](http://www.dakaractu.com/Coronavirus-La-Sodav-annonce-un-fonds-de-120-603-932-F-Cfa-pour-le-monde-de-la-culture_a187863.html).



© Jose Garcia / Unsplash

# Temporary relief from regulatory obligations

## Description of the measure

Regulatory obligations are usually imposed on cultural enterprises to meet public policy objectives. A major feature of broadcasting, they aim to prevent private sector operators from maximizing profits by downplaying national content, which is far more costly to produce or acquire than foreign content. Broadcasters are sometimes also subject to obligations requiring service to the entire population including in remote areas, which involves building costly broadcasting networks. In short, these obligations represent a substantial cost of operation. In times of crisis, governments have acknowledged the difficulty for private enterprises to fulfil their regulatory obligations with advertising revenues falling sharply. As a result, some governments have opted to grant them temporary relief that could be compared to tax rebates or exemptions from social security contributions.

## Why choose this measure?

- Revising regulatory obligations is a way of ensuring continuity of operations by adapting to the exceptional circumstances of the health crisis.
- Regulation, like taxation, is exclusively a matter for governments; it is a way of implementing the law. When time is short, it is easier to change regulations than amend legislation.

## Actions to consider for implementation

- Consider the cost of regulatory obligations. Increasing or alleviating them affects the financial viability of the bodies concerned, as well as third parties that benefit from the obligations.
- The medium- and long-term effects should be considered. Creative and production cycles in culture are such that years can go by before the full effects are felt. The longer the relief goes on, the longer the delay to be made up: if the production industry is put on hold for too long, some of its capacity and expertise will be lost, with companies closing, and talent leaving for other sectors.
- Regulatory obligations are often complex, difficult to explain to the public and thus of little interest to mainstream news media. The subject is one for specialists. Efforts are needed to raise awareness so that the public can understand why a given measure is the right one in the current circumstances.

## Pitfalls to avoid

- The relaxation of regulatory obligations must benefit all the targeted entities without distinction, so as not to falsify the rules of the market.
- All stakeholders should be consulted to gather a full picture of the impacts. Consultations are common practice in countries with independent, robust, regulatory bodies.
- Once the relief has been applied, it can be difficult to return to the previous situation. Who will determine when the crisis will end? Exempted companies could plead that their financial health is not fully restored and that the advertising market will never be the same again.
- Such measures should not be used as an excuse for not otherwise stimulating cultural and creative industries and employment in the sector.

## Examples of good practice



### Colombia

The Ministry of Communication and Information Technology (Ministerio de Tecnologías de la Información y las Comunicaciones - MinTic) relaxed the national content requirements for free national terrestrial television channels. New quotas were set for the duration of the state of emergency, reduced from 70% to 20% at peak time from Monday to Friday and from 50% to 20% at peak time on Saturdays, Sundays and holidays.<sup>1</sup> The new rules aim to guarantee continuity of service under social distancing restrictions which make it difficult to produce the new programmes needed for the channels to fulfil their obligations. The measures ordered by MinTic also applied to regional broadcast services, deemed essential to the nation's culture and identity.



© Scheier / Unsplash

1. "MinTic establece nuevas medidas para la televisión abierta y para garantizar la televisión pública en la cuarentena nacional," Ministry of Technology, Information and Communications, 4 April, 2020, <https://mintic.gov.co/portal/inicio/Sala-de-Prensa/Noticias/126488:MinTic-establece-nuevas-medidas-para-la-television-abierta-y-para-garantizar-la-television-publica-en-la-cuarentena-nacional>.



### France

Following the government's lockdown measures, cinemas were forced to close.<sup>2</sup> Exceptionally, the National Centre for Cinema and the Moving Image (Centre national du cinéma et de l'image animée - CNC) authorized the direct release of films online, derogating from its rules on timing that require a theatrical release first. It agreed to a reduction in the theatrical release time (normally four months). For films scheduled for release after 14 March 2020, the CNC allowed on-demand video streaming, without waiting for cinemas to reopen and without requiring producers and networks to repay subsidies granted for screening.

2. "Le CNC consultera la filière cinéma sur les modalités exceptionnelles de sortie des films pendant l'épidémie covid-19," National Centre for Cinema and the Moving Image, 20 March 2020, [www.cnc.fr/professionnels/communiqués-de-presse/le-cnc-consultera-la-filiere-cinema-sur-les-modalites-exceptionnelles-de-sortie-des-films-pendant-lepidemie-covid19\\_1140861](http://www.cnc.fr/professionnels/communiqués-de-presse/le-cnc-consultera-la-filiere-cinema-sur-les-modalites-exceptionnelles-de-sortie-des-films-pendant-lepidemie-covid19_1140861).

*One way to restore culture to its rightful place is to enhance its economic contribution by ceasing to oppose culture and profitability.*

*Marème Malong  
Jurist and contemporary African art gallerist  
ResiliArt | Africa (28 July 2020)*



# Compensation for business interruption losses

## Description of the measure

Many governments have compensated for losses caused by the sudden halt in activity and the costs associated with the recovery. No claims for reimbursement will be made of refundable aid already paid out. In certain cases, the full amount of promised aid will be paid, even if the activity does not take place. Support has been provided to make it more cost-effective for performances in smaller venues. In cinema, for example, the cost of promotional campaigns is lost where a film was only in cinemas for a short time or could not be released at all. Film shoots that were interrupted must be resumed, with the additional burden of costs associated to sanitary measures. Live performance is another sector particularly hard hit. While some festivals have found an audience online, most have had to write off losses caused by the cancellation of the summer season and the closing of borders to tourists. They can only wait and hope that matters will improve next year.

## Why choose this measure?

- Loss of revenue means these bodies face a lack of cash flow and risk insolvency. Non-profit organizations, by definition, are particularly at risk.
- The disappearance of the structures that bring arts to the public weakens the entire value chain. For cinema and performance arts, the permanent closure of venues makes it very difficult for audiences to access works of national origin. Major sources of income could be wiped out, with people living outside the main urban centres particularly affected.
- The State alone has the financial capacity to grant non-refundable subsidies to compensate for losses. Without this intervention, the ecosystem built up over years of public investment and determined cultural policy is at risk of collapse.

## Actions to consider for implementation

- A distinction must be made between loans and subsidies. A loan is an investment in preparations for the recovery. A subsidy is emergency aid to compensate for irrecoverable losses.
- Eligibility criteria must be strict, and proof of substantial losses specifically caused by the pandemic must be required. The purpose is not to bail out organizations or enterprises that are already in deficit.
- Some forms of compensation that require evidence such as tax statements or proof of existing contracts may not be accessible to the culture sector, which in many countries is characterized by a high level of self-employment and informality.

## Pitfalls to avoid

- Avoid giving the impression that the measure might be kept in place once the recovery is under way, as it is entirely exceptional in nature.
- Avoid giving any commitment that all cultural enterprises and jobs can be saved through this type of measure. A degree of restructuring is inevitable.



## Examples of good practice



### Netherlands

Developed by several cultural organizations, with the support of the Ministry of Education, Culture and Science, the Ministry of Economic Affairs and the Authority for Consumers and Markets, the “Save your ticket, enjoy it later”<sup>1</sup> ticketing system was launched in April 2020. Through this initiative, Dutch theatres, concert halls, music venues, event and sports organizers, museums and festivals jointly called on audiences to support the culture sector. When an event could not be moved to a later date or if the ticket buyer could no longer attend the event, he or she could receive a voucher, donate the ticket or request a refund. The voucher system was an immediate response to the lockdown.



### Sweden

On 22 April 2020 the European Commission approved a 420 million krona (US\$ 46.7 million) Swedish scheme to compensate companies for loss of revenue or additional costs related to the cancellation or postponement of cultural events.<sup>2</sup> The funds were made available by the Swedish Arts Council (Kulturrådet)<sup>3</sup> and the Swedish Film Institute (Svenska Filminstitutet).<sup>4</sup> Aid is capped at 10 million Swedish krona (US\$ 1.1 million) per beneficiary and covers initiatives scheduled from 12 March to 31 May 2020. In addition, the Government invested a further 1.5 billion Swedish krona (US\$ 167 million) to compensate for economic losses caused by the crisis and safeguard the recovery of the culture sector. Of this amount, 80 million Swedish krona (US\$ 8.9 million) will go to entertainment presenters for adaptation to health measures to accelerate recovery.

1. “Save your ticket, Enjoy later”, consulted on 16 October 2020, [www.saveyourticket.nl/](http://www.saveyourticket.nl/).

2. State aid: Commission approves €38 million Swedish scheme to compensate damages caused by cancelled or postponed cultural events due to coronavirus outbreak, European Commission, 22 April, 2020, [https://ec.europa.eu/commission/presscorner/detail/en/ip\\_20\\_723](https://ec.europa.eu/commission/presscorner/detail/en/ip_20_723).

3. Swedish Arts Council, consulted on 5 October, 2020, [www.kulturradet.se/en/](http://www.kulturradet.se/en/).

4. “Svenska Filminstitutet,” Wikipedia, consulted on 5 October, 2020, [https://sv.wikipedia.org/wiki/Svenska\\_Filminstitutet](https://sv.wikipedia.org/wiki/Svenska_Filminstitutet)



### Uruguay

On 26 March 2020, the Culture Department of the City of Montevideo announced a 10 million peso (US\$ 451,830) support fund for the culture sector.<sup>5</sup> It finances a plan to support culture by alleviating the economic consequences of the pandemic for self-employed artists, which is being implemented in collaboration with the city’s arts associations and self-employed culture workers. The plan covers seven action areas and includes aid to artists and groups affected by the suspension of various activities that are sources of income, as well as the rescheduling of contracts and activities agreed with the city’s Culture Department.

5. “Plan de apoyo a la actividad cultural,” Montevideo Office, 26 March 2020, <https://montevideo.gub.uy/noticias/cultura/plan-de-apoyo-a-la-actividad-cultural>.

*The culture sector is also one of the sectors hardest hit by the coronavirus outbreak. This €38 million Swedish scheme enables Sweden to compensate businesses active in the organization of cultural events for the damages suffered in these difficult circumstances.*

*Margrethe Vestager  
Executive Vice-President  
of the European Commission*

# Relief from taxes and social charges

## Description of the measure

Some governments have announced a deferral of tax payments for a few months. Some governments have postponed the payment dates for tax and duties. They have also deferred or even cancelled social contributions for cultural associations and enterprises for the months of inactivity. These cancellations or deferrals allow operators to preserve their cash flow and meet ongoing operating expenses. The measures are designed to reduce the risk of default or bankruptcy, which would cost the State even more.

## Why choose this measure?

- Faced with an imminent liquidity crisis, it is preferable for the State to use its borrowing power to help a sector like arts and culture with little, if any, borrowing power of its own.
- Deferral of tax and social charges is a temporary measure allowing managers of cultural enterprises and associations to devote their attention to the most pressing problems.

## Actions to consider for implementation

- Fair taxation is an underlying principle of public policy. Any exception must be fully justified and limited in scope. The precarious nature of the cultural and creative industries can be used to explain the introduction of an exceptional regime in times of crisis.
- Establish a timetable for implementation and respect it, while trying to avoid uncertainty.

## Pitfalls to avoid

- Avoid giving the impression that the measure might be kept in place once the recovery is under way, as it is entirely exceptional in nature.

*It is extremely important to keep the infrastructure around artists alive. Traders, technicians also need some attention. If they get lost, the whole system breaks.*

*Johannes Theurer  
Senior producer, Radio Berlin  
Secretary, World Music Charts Europe  
ResiliArt South Asia (10 June 2020)*

## Examples of good practice



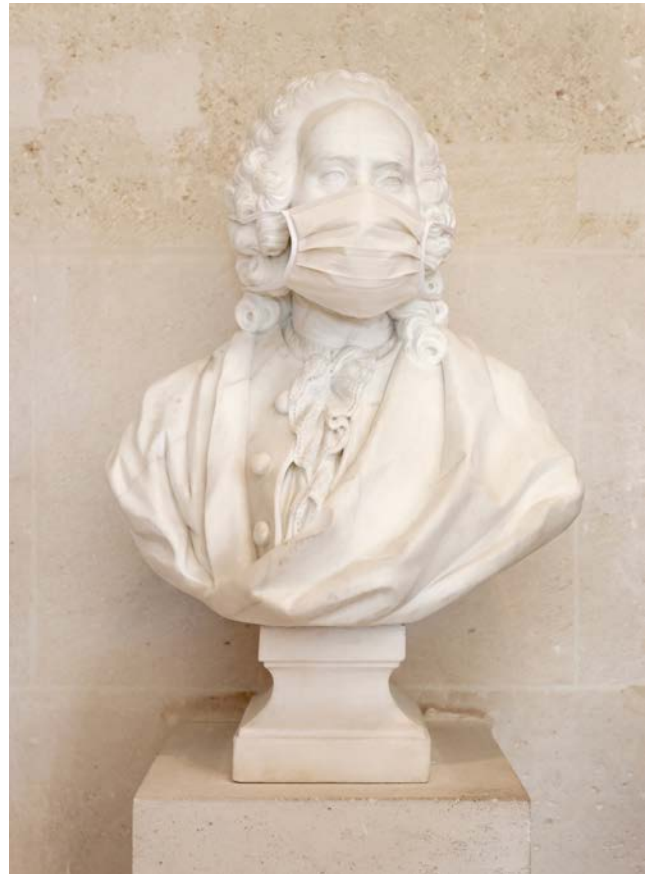
### Czechia

An anti-crisis tax package to address the economic consequences of the COVID-19 pandemic came into force on 1 July 2020.<sup>1</sup> Measures in the package also include a reduction in value-added tax (VAT) from 15% to 10% on certain services, including admission to museums and cultural events. Another of the measures allows individuals and legal entities to retroactively claim back tax losses due to the state of emergency. Thus, a tax loss declared for 2020 gives rise to a deduction in the tax base for the two previous tax years.



### France

On 24 May 2020, a €3 billion (US\$3.5 billion) waiver of social charges for businesses in sectors particularly hard hit by the lockdown, including the culture sector was announced.<sup>2</sup> Those covered by the measure are very small and medium-sized enterprises (with fewer than 250 employees) that recorded a sharp drop in business following the administration's decision to close due to the health crisis. They can claim a waiver of employer's contributions paid or deferred in the months of March to June 2020, relating to periods of employment from February to May 2020. In addition, artists and authors benefit from a one-time variable reduction in social contributions, calculated on the basis of their 2019 income.



© Jean-philippe Delberghe / Unsplash

***A few of our artists' organizations have come together and written a joint statement to ask the Government [of Cambodia] for tax relief and long-term loans, deferment of current loan due dates and reduction in current loan interest. [...] The Ministry of Economy and Finance has written to us asking what they can do to help us.***

Arn Chorn-Pond

Musician

ResiliArt International Music Council

(28 May 2020)

1. Le gouvernement tchèque a approuvé une réduction de la TVA sur l'hébergement, la culture et les remontées mécaniques," French-Czech Chamber of Commerce, 26 May, 2020, [www.chambre.cz/des-actualites/n/news/le-gouvernement-tcheque-a-approuve-une-reduction-de-la-tva-sur-lhebergement-la-culture-et-les-remo.html](http://www.chambre.cz/des-actualites/n/news/le-gouvernement-tcheque-a-approuve-une-reduction-de-la-tva-sur-lhebergement-la-culture-et-les-remo.html).

2. "Mesures de soutien en faveur des secteurs de la restauration, du tourisme, de l'événementiel, du sport et de la culture," Ministry of the Economy, Finance and Economic Recovery, 11 June, 2020, [www.economie.gouv.fr/covid19-soutien-entreprises/mesures-soutien-secteurs-restauration-tourisme-culture-sport#](http://www.economie.gouv.fr/covid19-soutien-entreprises/mesures-soutien-secteurs-restauration-tourisme-culture-sport#).

# Stimulating demand

## Description of the measure

The collapse in demand has severely undermined the viability of cultural enterprises, associations and institutions. Revenue from ticket sales, sponsorship and advertising has fallen dramatically, or even vanished, without warning. The uncertainty and insecurity generated by the pandemic have suddenly driven down the consumption of goods and services considered as lower priority or extras, in favour of saving and spending on essentials. Incentive measures can be taken to stimulate demand, for example by offering artistic training courses or significant discounts on admission fees. While governments have sought to stimulate cultural participation on digital platforms by promoting national cultural content, they are also concerned about resuming cultural activities in physical venues, as evidenced by the assistance offered to adapt both cultural and unconventional venues to health and social distancing constraints.

## Why choose this measure?

- Stimulating demand is an investment in recovery. The State is sending a clear message that the arts and culture are essential services to which all citizens must have access.
- People long for a return to normal but they are sensitive to price where non-vital goods and services are concerned, which is the case with culture.
- State intervention is a structural measure that goes much further than marketing strategies or promotional campaigns. Through its investments, the State is setting up a preferential regime for the arts and culture, which have limited resources but inestimable value to society. This support is particularly necessary to counter the stranglehold of large multinationals online and the power of attraction of the content distributed on their platforms.

## Actions to consider for implementation

- With the transition toward digital modes of cultural consumption, thought should be given to applying the same provisions to physical and virtual goods. Do not favour one to the detriment of the other, bearing in mind that cultural goods on digital media are largely sold by dominant foreign platforms.
- Aid should be offered to cultural and creative enterprises that will have to put hygiene measures in place to regain people's trust.
- As a general rule, cultural policies are more oriented towards supporting supply than towards stimulating demand through measures that fall within the competence of ministries other than the Ministry of Culture. In times of crisis, the government acts in a concerted manner, which facilitates interministerial cooperation. Compared to other more targeted measures that may also have an impact on demand (such as tax cuts and other tax relief or training programmes), interministerial collaboration is essential for measures seeking to directly stimulate demand.

## Pitfalls to avoid

- Do not expect these measures to produce immediate benefits, as they are structuring investments whose benefits will be seen in the long term. Set the objective of ensuring the widest possible access to cultural activities.
- Avoid varying the VAT rate on ticket sales or on the purchase price of certain cultural goods, such as books, to stimulate demand. If a lower price is introduced without appropriate communication, it will become the reference point.
- Do not expect the culture sector to be able to take over when the health crisis ends. It will have many priorities in restarting creative work and reengaging with the public. The State's commitment must be substantial and sustained.



## Examples of good practice



### New Zealand

The Government invested a further 4 million New Zealand dollars (US\$ 2.6 million) to promote creative work in schools.<sup>1</sup> The investment is in addition to the 7.16 million New Zealand dollars (US\$ 4.2 million) already budgeted for 2020-2023 and will enable 300 artists to be hired to work with schools to share their talents and knowledge in areas such as film and game design. A total of 10,000 New Zealand dollars (US\$ 5,621) – funded by the Creatives in Schools programme – was set aside to pay up to three artists hired for each creative project. The programme is run by the Ministry of Education in partnership with the Ministry of Culture and Heritage (Te Manatū Taonga) and Creative New Zealand.



### Ukraine

On 15 September 2020 the parliament passed an emergency law reducing value-added tax (VAT) to 7% for the creative and tourism industries.<sup>2</sup> This amendment to the tax code aims to reduce production and distribution costs of goods and services in the culture and tourism sectors. It will make theatre performances, concerts, films and exhibitions more accessible for both producers and the public.



### United Kingdom of Great Britain and Northern Ireland

The UK Treasury, which is responsible for public finances and economic policy, announced the abolition of the 20% value-added tax (VAT) on digital publications.<sup>3</sup> This measure, which came into force on 1 May 2020, seven months ahead of schedule, aims to promote access to e-books and the online press and support the publishing sector. Its implementation was brought forward in response to a significant rise in demand for e-books and subscriptions to digital media during the pandemic. It also announced that the printed press is to receive up to £35 million (US\$ 44.6 million) in extra advertising revenue from the Government as part of its COVID-19 information campaign.

3. "VAT scrapped on E-publications," Government of the United Kingdom, 30 April, 2020, [www.gov.uk/government/news/vat-scrapped-on-e-publications](https://www.gov.uk/government/news/vat-scrapped-on-e-publications).

*We [artists] want to take our time to create quality art. What we need is confidence that people will support us by paying fairly and buying tickets. Both sides, creator and consumer, must have this mutual trust.*

*MIYAVI,  
Musician, United Nations High Commission  
for Refugees Goodwill Ambassador  
ResiliArt Japan (2 July 2020)*

1. "Funding boost for arts in schools," Arts Council of New Zealand, 15 June, 2020, [www.creativenz.govt.nz/news/funding-boost-for-arts-in-schools](https://www.creativenz.govt.nz/news/funding-boost-for-arts-in-schools).

2. "Ukrainian parliament passes at first reading bill reducing VAT to 7% for representatives of culture, creative industries," *Ukraine Open for Business*, 17 September, 2020, <https://open4business.com.ua/ukrainian-parliament-passes-at-first-reading-bill-reducing-vat-to-7-for-representatives-of-culture-creative-industries/>.

## Preferential loans

### Description of the measure

Cultural and creative enterprises are major players in employment, the production of goods and services, exports, etc. Their business models are the same as for any other business in the private sector, with one important distinction: they carry very high levels of risk. In the best case, the company will have built up an intellectual property portfolio whose value can reasonably be estimated, and which banks might accept as security. The loans are risky, however, and interest rates may be higher. To address their severe liquidity problems, lending and security schemes are urgently needed. Preferential terms can be granted, for example: zero interest rates or deferrals of first repayments. Additional aid can take the form of waiving interest for borrowers who repay the loan at maturity.

### Why choose this measure?

- This measure has immediate effect and should be among the first adopted to help tackle liquidity problems and allow enterprises to stay competitive.
- Compared to subsidies, loans place more responsibility on the operator who must continue to develop and implement its business plan.
- Interest-free loans can help with business development and start-ups as well as when problems arise.

### Actions to consider for implementation

- Loans are generally managed by a bank with the expertise to evaluate and advise the enterprise on its business plan and an understanding of the contractual terms.
- Government guarantees for private sector loans can ease contact between banks and cultural enterprises, fostering better mutual understanding and trust.
- Training can be given to workers in the banking sector to familiarize them with the special nature of the cultural and creative industries.

### Pitfalls to avoid

- The business plan evaluation prior to granting the loan must take account of the fact that the cultural and creative sector is higher risk than other business sectors.
- Avoid allowing the operator to default, which could lead to bankruptcy, while providing for a higher payment reserve.
- Cultural enterprises are like creativity: there is no "one size fits all". Their size, growth rate, number of employees, clientele, rate of production and cash flow vary widely.
- Certain eligibility criteria, such as the ability to export goods and services that could bring in foreign currency or the interest rate on the loan repayment, may de facto exclude many companies.

## Examples of good practice



### European Union

The European Commission and the European Investment Fund (EIF) launched new measures to improve access to funding for cultural and creative enterprises during the COVID-19 pandemic.<sup>1</sup> The measures form part of the overall Culture and Creative Sectors Guarantee Facility, which has a budget of 251 million euros (US\$292.5 million), and they target small- and medium-sized enterprises and small public enterprises. Under these measures, financial intermediaries can offer those entities more flexible terms, and the EIF can give guarantees and counter-guarantees to finance enterprises suffering the economic fallout from the crisis.



### Tunisia

The Ministry of Cultural Affairs set up the Culture Recovery Fund (Fonds Relance Culture – FRC),<sup>2</sup> to help the different players in the culture sector overcome the economic problems created by the health crisis. Among the schemes available under the Fund – a mixed public-private endowment – are zero-interest loans to boost business continuity and the vitality of cultural life. The support is intended for artists, creators and actors in the culture sector (excluding public sector employees and private sector employees with a fixed monthly salary) who can apply via the dedicated FRC platform.



© Jonathan Singer / Unsplash

*Through the development of different products, microfinance has given support to people on low or irregular incomes. Microfinance can help artists at this level. Because the banker has a better understanding of how artists work, it can find the right solution for their financial level.*

*Isabelle Antunes*

*Head of mission to Cameroon – Foundation of Savings Banks for International Cooperation, ResiliArt Central Africa  
(19 June 2020)*

1. "Coronavirus: European Commission and European Investment Fund announce new Covid-19 measures for businesses under the EUR 251m Cultural and Creative Sectors Guarantee Facility," European Investment Fund, 29 July, 2020, [www.eif.org/what\\_we\\_do/guarantees/news/2020/european-commission-eif-announce-new-covid19-measures-under-cultural-creative-sector-guarantee-facility.htm](http://www.eif.org/what_we_do/guarantees/news/2020/european-commission-eif-announce-new-covid19-measures-under-cultural-creative-sector-guarantee-facility.htm).

2. Fonds Relance Culture, consulted on 5 October, 2020, <http://relance.culture.gov.tn/>.



# Strengthening infrastructure and facilities

## Description of the measure

Ministries responsible for the arts, culture and media generally commit to three types of spending: support for projects, support for organizations and infrastructure development. The latter is especially important as it is rare for private sector funding to be involved. Cultural enterprises, voluntary associations and institutions do not have the resources or the borrowing power. Cultural infrastructure plays a cardinal role in the creation, conservation and public availability of collections. The COVID-19 crisis, which has brought live performances and public institutions like museums and libraries to a standstill, will be, in certain cases, good for investment in adapting infrastructure and facilities to new technologies. It will also have led to the use of public spaces adapted to social distancing rules, as evidenced by music concerts in open-air cinemas or film screenings in airports.

## Why choose this measure?

- It ensures the arts and culture have a tangible and visible presence throughout the territory.
- The State exercises its spending power, compensating for low or nonexistent private investment.
- Technology is upgraded to keep pace with the digital shift.
- It stimulates economic activity by creating jobs, purchasing materials and equipment, and proper preparations can be made for the recovery in line with health regulations and the digital shift.

## Actions to consider for implementation

- Investment in infrastructure does not generate direct profit for the artistic and cultural community. It benefits the construction industry, materials and equipment suppliers and technical service providers – in short, the economy in general.
- It will have little effect on the capacity of creators or cultural organizations to weather the crisis. By contrast, funding designed to allow them to update their management methods, through the purchase of computer equipment and software, will help make them more efficient and therefore more resilient.

## Pitfalls to avoid

- This measure should not, in times of crisis or otherwise, be guided by any consideration other than the needs of creation, programming and dissemination. The equipment must serve the creator and the work.
- Infrastructure investment requires substantial budgets, from programmes that are distinct from those used to fund creative work and cultural entities. The effort expended on buildings and equipment often overshadows the importance of programming and collections in bringing in the public. Unless sizeable amounts are budgeted to bring the buildings to life, the means will not exist to bring out their full potential.



## Examples of good practice



### Germany

In June 2020, the Government announced its “NEUSTART KULTUR” (Restarting Culture) programme,<sup>1</sup> endowed with one billion euros (US\$ 1.1 billion), which aims to relaunch the culture sector and support the reopening of its institutions. Almost 250 million euros (US\$ 296 million) from the recovery plan were earmarked to adapt cultural institutions and installations to new health standards. Targeting those institutions whose regular operation is not mainly dependent on public funds, NEUSTART KULTUR is financing the implementation of stricter hygiene procedures, the development of better online ticketing systems and the modernization of ventilation systems.



### Japan

On 20 April 2020, the Government took emergency economic measures in response to COVID-19, with an additional budget dedicated to the Agency for Cultural Affairs,<sup>2</sup> as part of the overall emergency aid programme for the arts and culture. The additional package consists of 2.1 billion yen (US\$ 20.1 million) to fund infection prevention measures, including a timed reservation system for visitors, and the installation of infrared cameras, air conditioning, air purifiers and alcohol-based disinfectant systems in cultural installations such as museums, theatres and music halls. A further 1.4 billion yen (US\$ 14 million) was earmarked to modernize infrastructure for digital content, to upgrade the production of high-resolution theatre and museum exhibitions, using high-resolution video.

1. “One billion euros for NEUSTART KULTUR,” The German Federal Government, 17 June, 2020, [www.bundesregierung.de/breg-en/issues/neustart-kultur-1761588](http://www.bundesregierung.de/breg-en/issues/neustart-kultur-1761588).

2. “Emergency Comprehensive Aid Package for Cultural Art Activities,” Agency for Cultural Affairs. Government of Japan, consulted on 5 October, 2020, [www.bunka.go.jp/english/pr/fy2020/index.html](http://www.bunka.go.jp/english/pr/fy2020/index.html).



### Mexico

The Government established a programme supporting cultural infrastructure (Apoyo a la Infraestructura Cultural de los Estados) in 2001, in the form of an annual call for submissions.<sup>3</sup> For the year 2020, with a view to alleviating the effects of the crisis on Mexico’s culture sector, the programme was fast-tracked and loans were offered for cultural programming. The aim is to preserve existing cultural infrastructures and strengthen cultural projects through funding, including the construction of buildings dedicated to cultural activities in economically deprived regions or those without adequate cultural infrastructure. The economic resources allocated will enable dedicated cultural spaces to be rehabilitated, constructed and equipped and artistic activities programmed, including cultural centres, cultural hubs, training and production centres, libraries, museums, historic archives and theatres, among others.

3. “Apoyo a la Infraestructura Cultural de los Estados (PAICE),” Government of Mexico, consulted on 5 October, 2020, <https://vinculacion.cultura.gob.mx/PAICE/>.

*We must work in cooperation with public authorities to develop spaces dedicated to artists, to practice their art and also perform. There has to be cooperation for culture, and outside it as well. Artists are capable of coming up with proposals and can be part of the solution.*

*Abousefiane Lagraa  
Dancer and choreographer  
ResiliArt Algeria (16 May 2020)*

# MEASURES





# Enhancing the competitiveness of cultural and creative industries

*The pandemic has accelerated the transformation of cultural and creative industries, already under pressure from market globalization and the consequences of the monopolization of value by digital platforms owned by the most powerful intermediaries. Adapting business models and developing new markets have become necessary both in response to the growing domination of Internet giants and, perhaps above all, in response to the crisis and the resulting changes in consumption habits. Digital technology is speeding up the circulation of cultural goods and especially services worldwide, which presents both challenges and opportunities for the diversity of cultural expressions.*

- 12** Participatory needs assessments and feasibility studies
- 13** Adapting business models
- 14** Promoting national content
- 15** Tax incentives for foreign investment



# Participatory needs assessments and feasibility studies

## Description of the measure

Many governments have held formal and informal consultations with stakeholders to assess the impact of the pandemic and decide which measures to implement. Some have shown caution deemed excessive, while others have reacted swiftly to respond rapidly to the most urgent needs. Professional bodies have conducted surveys of their own members to give backing to their claims. Several surveys of the economic impact of COVID-19 on the creative sector have been conducted by academics and research centres in Africa.<sup>1</sup> As well as national estimates, intergovernmental organizations like UNESCO, OECD and the Council of Europe have contributed to the assessment of damage in the arts and culture sector and suggested possible solutions. The vast majority of measures announced have aimed to enable creators and operators to survive the crisis. Attention is now shifting to financing recovery programmes designed to stimulate investment and spending.

## Why choose this measure?

- Needs assessments and feasibility studies make it easier to adapt measures to the particular features of national arts and culture sectors.
- Consultations with stakeholders encourage buy-in and successful implementation.
- Conditions and criteria for support measures are based on factual observation, taking into account which cases are most common and which are exceptional. This ensures the decision-making process is rigorous and properly documented, which will be useful in accountability reporting.

## Actions to consider for implementation

- Document the decision-making process to be able to respond to criticism, provide accountability, and submit the programme to an audit.
- Clarify roles and responsibilities: who recommends and who decides.
- Seek a plurality of opinions, sectors and expertise to take account of diverse needs and situations and stave off the risk of hasty decisions that allow no room for dissent.
- Communicate widely on the objectives of the consultations in order to gain the support of as many stakeholders as possible.

## Pitfalls to avoid

- Consultation is participatory and should take time, but not so long that it interferes with or delays action.
- In a crisis, implementing measures cannot depend on the availability of comprehensive information. Phased launches can be considered so measures can be supplemented and adapted later. For example, most of the funds can be committed in the first phase of support with the balance held back for a second phase to help those left out the first time around.

1. "A comparative analysis of economic impact studies", artsmanagement.net, 27 August, 2020, [www.artsmanagement.net/Articles/Covid-19-and-culture-in-Africa-A-comparative-analysis-of-economic-impact-studies,4184](http://www.artsmanagement.net/Articles/Covid-19-and-culture-in-Africa-A-comparative-analysis-of-economic-impact-studies,4184).

## Examples of good practice



### Burkina Faso

In April 2020, following the decision of the Minister of Culture, Arts and Tourism to set up a 1.25 billion CFA Franc (US\$ 1.84 million) support fund for culture and tourism, a study committee was established to identify needs, prejudices and the appropriate form of support for each case, with the ability to make direct assessments and verifications on the ground.<sup>1</sup> The committee is headed by the technical adviser to the Minister and comprises two groups, of private sector actors and public sector actors. The groups later met to draw up a summary document to submit to the Minister for review and approval.



### Peru

Under the national state of emergency, the Ministry of Culture devised and conducted a national survey in collaboration with the Metropolitan Municipality of Lima to measure the impact of the state of emergency on the culture sector.<sup>2</sup> The survey results were made public to inform citizens and allow decisions to be based on factual observation. Over 60 meetings were held with civil society representatives from various cultural and artistic sectors to hear their proposals for measures to respond to the impact of the health emergency. The government released nearly 50 million sol (US\$ 13.9 million) in emergency aid for individuals and entities in the culture sector and to purchase content.



### United Kingdom of Great Britain and Northern Ireland

The Culture Secretary appointed a Commissioner for Cultural Recovery and Renewal.<sup>3</sup> He will act as an independent expert and submit recommendations to the Department for Digital, Culture, Media and Sport (DCMS).<sup>4</sup> The Government also set up a Culture Renewal Taskforce<sup>5</sup> and eight sector working groups chaired by a DCMS minister. One example is the Entertainment and Events Working Group comprising experts from across the country who will offer advice on strategies for reopening venues and bringing back staff and audiences. Working with national cultural bodies like the Society of London Theatres (SOLT), UK Theatre and Arts Council England (ACE), the focus is on the resumption of theatre, music, dance and cinema.

3. Department for Digital, Culture, Media and Sport, Government of the United Kingdom of Great Britain and Northern Ireland, consulted on 5 October, 2020, [www.gov.uk/government/organisations/department-for-digital-culture-media-sport](http://www.gov.uk/government/organisations/department-for-digital-culture-media-sport).

4. "New Culture Commissioner named and Taskforce set up to aid sector recovery from coronavirus," Government of the United Kingdom of Great Britain and Northern Ireland, 20 May, 2020, [www.gov.uk/government/news/new-culture-commissioner-named-and-taskforce-set-up-to-aid-sector-recovery-from-coronavirus](http://www.gov.uk/government/news/new-culture-commissioner-named-and-taskforce-set-up-to-aid-sector-recovery-from-coronavirus).

5. "Cultural Renewal Taskforce and Sector Working Groups," Arts Council England, consulted on 5 October, 2020, [www.artscouncil.org.uk/covid-19/cultural-renewal-taskforce-and-sector-working-groups#](http://www.artscouncil.org.uk/covid-19/cultural-renewal-taskforce-and-sector-working-groups#).

1. "Covid 19 : Un plan d'appui aux acteurs culturels et touristiques en réflexion," Burkina Faso's Ministry of Culture, Arts and Tourism, 6 April 2020, [www.culture.gov.bf/accueil/details?tx\\_news\\_pi1%5Baction%5D=detail&tx\\_news\\_pi1%5Bcontroller%5D=News&tx\\_news\\_pi1%5Bnews%5D=61&cHash=c5c569e23c27b3e476c285bdd71fd95b](http://www.culture.gov.bf/accueil/details?tx_news_pi1%5Baction%5D=detail&tx_news_pi1%5Bcontroller%5D=News&tx_news_pi1%5Bnews%5D=61&cHash=c5c569e23c27b3e476c285bdd71fd95b).

2. "Informe sobre el impacto del estado de emergencia por el Covid-19 en el sector de las artes, museos e industrias culturales y creativas – Resultados generales," Ministry of Culture, 5 June, 2020, [www.gob.pe/institucion/cultura/informes-publicaciones/633376-informe-sobre-el-impacto-del-estado-de-emergencia-por-el-covid-19-en-el-sector-de-las-artes-museos-e-industrias-culturales-y-creativas-resultados-generales](http://www.gob.pe/institucion/cultura/informes-publicaciones/633376-informe-sobre-el-impacto-del-estado-de-emergencia-por-el-covid-19-en-el-sector-de-las-artes-museos-e-industrias-culturales-y-creativas-resultados-generales).

*Digital channels offer new forms of interaction. At present, new cultural behaviours are taking shape. It's time to rethink the relationship between creators and users. This could be key to strengthening alliances within civil society.*

*Michael Wimmer*

*Author*

*ResiliArt Austria (24 April 2020)*

# Adapting business models

## Description of the measure

Physical distancing has speeded up the digital shift and further consolidated the dominant position of major Internet groups. The shift in consumption habits has accelerated. Globalization of the markets in cultural goods and services is both a threat and an opportunity to be grasped. The digital environment favours the development of new markets. In cinema, film festivals forced to go online noted a significant upturn in audiences outside their local market, to the extent that some are now considering continuing to screen on demand once the event itself is over, to consolidate this presence and this relationship with new audiences. To survive, cultural and creative enterprises have no choice but to adapt. Governments are in a position to create conditions favouring export and joint enterprise through international cooperation.

## Why choose this measure?

- There is no going back to the way it was. Concern for the environment argues in favour of remote working, virtual collaboration and new ways for organizations to function.
- The public has discovered, and enjoyed, access to new cultural expressions made possible by the digital environment. E-books, audio books, streaming of music and films and remote downloading of programmes, music and theatre performances, etc. are the new consumption habits of popular culture.

## Actions to consider for implementation

- Experimenting with new business models implies risk-taking. It is not just a question of transposing real-world practices into the digital world. Content must be designed and promoted following the logic of Internet algorithms.
- Support measures for the adaptation of business models offer opportunities to try out new ways of relating to audiences and develop a better understanding of how they behave. Data and knowledge sharing must be encouraged, to build the capacities of national cultural enterprises competing with online giants.

## Pitfalls to avoid

- Being over-prescriptive, imposing too many restrictions on the types of experimentation, or having preconceived ideas about the solutions.
- “Forcing” the adaptation of artistic practices that do not necessarily lend themselves to it, like theatre or dance. New hybrid forms may emerge, but they cannot replace the live experience.
- Concentrating only on adapting creation and production to the digital environment, without developing expertise in distribution and promotion, which are areas in which large cultural enterprises often excel. To be successful, the digital shift must also enable the monetization of content.



## Examples of good practice



### Argentina and Mexico

The Culture Secretariat of Mexico City, Mexico and the Ministry of Culture of the City of Buenos Aires, Argentina agreed, in April 2020, to combine their digital information and dissemination platforms to present the diverse artistic and cultural expressions of both countries to wider audiences, using the most modern technological means.<sup>1</sup> Thanks to this agreement, the Mexican platform “Capital Cultural en Nuestra Casa” (Capital of Culture at Home) and the Argentine platform “Cultura en Casa” (Culture at Home) offer a wide variety of programs that are part of the cultural life of both cities. The municipalities of the two Latin American capitals, members of the United Cities and Local Governments Organization (UCLG), understood the most urgent needs of the Latin American sub-continent and, while striving to enable the population to enjoy its right to culture, made a public appeal for people to stay at home and keep an appropriate distance.



### New Zealand

The Adaptation Fund set up by the *Creative New Zealand*<sup>2</sup> national arts development agency supports the transformation or significant development of business models and/or artistic practices of organizations in the *Toi Uru Kahikatea* or *Toi Totara Haemata* investment programmes. The fund encourages new ways of working within changed environments and supports new digital-influenced organizational models. The fund's purpose is to support digital education projects and access to culture and the arts via digital media, as well as professional development and research and development with a view to rethinking existing models.



### South Africa

In May 2020, the National Arts Council (NAC) launched a new call for arts projects applications in response to COVID-19.<sup>3</sup> Individuals and registered arts organizations were invited to propose digitally innovative projects that comply with COVID-19 restrictions and protocols, with a focus on creating, exhibiting and showcasing works in the COVID-19 era. The NAC encouraged applicants to reimagine audience interaction with the arts and to create new paradigms for viewing and understanding the role of art during the pandemic. To receive between 100,000 and 500,000 South African rand (US\$ 6,044 – US\$ 30,219), proposed projects were required to demonstrate impact and value for the communities in which they operate and to fulfil two or more of the following outcomes: economic value, creative value, social value, therapeutic value or educational value.



### Switzerland

Pro-Helvetia,<sup>4</sup> the Swiss public cultural foundation funded exclusively by the Swiss Confederation, launched “Close Distance”, a call for projects to encourage cultural practitioners and institutions to develop new artistic formats that offer innovative ways of coping with restricted mobility. Faced with issues emerging from the COVID-19 pandemic, the initiative offers cultural practitioners the opportunity to adapt to current social distancing conditions, especially with regard to traditional production and presentation systems. The projects supported revisited conventional systems and presented creative solutions around the concept of mobility in the culture sector.

1. “Las ciudades de México y Buenos Aires acuerdan unir sus plataformas digitales de arte y cultura,” Buenos Aires Ciudad, 17 April, 2020, [www.buenosaires.gob.ar/cultura/noticias/las-ciudades-de-mexico-y-buenos-aires-acuerdan-unir-sus-plataformas-digitales-de](http://www.buenosaires.gob.ar/cultura/noticias/las-ciudades-de-mexico-y-buenos-aires-acuerdan-unir-sus-plataformas-digitales-de).

2. “Adaptation Fund 2020,” Arts Council of New Zealand, consulted on 5 October, 2020, [www.creativenz.govt.nz/find-funding/funds/adaptation-fund-2020](http://www.creativenz.govt.nz/find-funding/funds/adaptation-fund-2020).

3. “NAC issues new Call for Arts Project Applications in response to COVID-19,” National Arts Council, consulted on 18 October 2020, [www.nac.org.za/call-for-applications-for-funding-2020-arts-projects/](http://www.nac.org.za/call-for-applications-for-funding-2020-arts-projects/)

4. “Covid-19: un appel à candidatures couronné de succès,” Pro Helvetia, consulted on 5 October, 2020, <https://prohelvetia.ch/fr/press-release/erfolgreiche-covid-19-ausschreibung/>.

## Promoting national content

### Description of the measure

Large numbers of initiatives have breathed life into the arts and culture, using digital means to reach out to people in lockdown. The names of the initiatives are revealing: “Cultural Capital en Nuestra Casa” (Capital of Culture at home, Mexico), “*EnPalco100Artistas*” (100 artists on stage, Cabo Verde), #laculturaentucasa (culture in your home, Spain), *Contigo en la distancia* (together apart, Mexico), #culturecheznous (culture at home, France). All of them highlight the rich cultural heritage accessible on digital media and present new creative or artistic works that have been commissioned and paid for. In some cases, national public radio and television services have also been used to transmit them. This type of measure fulfils several objectives at once: offering paid work to artists, creating original content, instilling new viewing habits in audiences that had lost their bearings during lockdown, bringing people together around culturally meaningful content, promoting the national culture alongside foreign content, and providing a free universal public service as an alternative to subscription services.

### Why choose this measure?

- To build a direct relationship between the nation’s artists and its public, often absent or barely visible on foreign paying platforms.
- To foster the launch of new government information services with huge audiences during the pandemic.
- It offers fair remuneration to artists struggling to make a decent income from the streaming of their works on digital platforms.
- It establishes new ways to access national culture via digital platforms for the vast segments of the population as yet unfamiliar with this mode of cultural participation.

### Actions to consider for implementation

- Focus on the attractiveness of content that will not pale in comparison with private and foreign platforms. It must be properly curated and technically impeccable, and the content regularly refreshed.
- The service in its simplest form can resemble live streaming. A more sophisticated service might utilize a platform that uses a search algorithm and browsing interface for a personalized experience.
- Stand-out events are needed: previews, premières and live performances. There should be a strong production and programming strategy.

### Pitfalls to avoid

- Do not hesitate to entrust the execution to professionals so that the quality of the service is comparable to that of the private sector.
- Avoid short-term project planning as no one can predict when the crisis will end and it is necessary to establish a habit of listening and keeping pace, both in quantity and quality.
- To offer a real alternative to the most popular foreign platforms, favour solutions that cater to different age groups with appropriate content, especially youth.

## Examples of good practice



### Czechia

To maintain contact with audiences and fans, representatives of festivals, live venues and promoters came together to create United Live Radio, a non-commercial radio station that promotes local musical content, among others, via live concerts and festival recordings, podcasts and talk shows.<sup>1</sup> Since 10 April 2020, the station has streamed concerts by major world artists, but has mostly promoted Czech artists with the main aim of lessening the impact of social distancing on local artists and audiences.



### Egypt

The Ministry of Culture set up a YouTube page to stream live and recorded events. The aim of the initiative, called “Stay At Home, Culture is Between Your Hands”,<sup>2</sup> is to allow audiences to access culture from their homes, by offering them films, theatre, musical or dance performances. Culture lovers the world over have viewed content on the Ministry’s YouTube page for a total of 126,000 hours and the page counted 11.5 million visits from 25 countries worldwide. The Supreme Council of Culture also launched the “Read with Us” initiative. Writers and poets read 10-minute extracts of their work – a novel, short story or poem – to camera, which is then posted online on Facebook and YouTube.<sup>3</sup>



© Marcela Laskoski / Unsplash

*What is interesting is that [COVID-19] has really exacerbated the need for distributors and consumers to have access to a more dispersed offer. We have seen an explosion in the offer both in types of content and of streaming platforms, and this is typically a wonderful opportunity for independent content because niche content can suddenly find an audience more easily. The future challenge for distribution will be discoverability.*

*Jean-Christophe J. Lamontagne  
Film distributor*

*ResiliArt – Cinema and audiovisual  
(LOJIQ) (7 June 2020)*

1. “Czech live industry joins forces for united live radio,” *IQ Magazine*, 14 April, 2020, <https://iq-mag.net/2020/04/czech-live-industry-joins-forces-for-united-live-radio/#.X2i7qy3pPVo>.

2. “Egyptian Ministry of Culture,” YouTube, consulted on 5 October, 2020, [www.youtube.com/channel/UC8McPibRT36QJnt4eGucNw](https://www.youtube.com/channel/UC8McPibRT36QJnt4eGucNw).

3. Mustafa Marie, “Egypt’s Min. of Culture’s e-initiatives thrive amid Covid-19 pandemic,” *Egypt Today*, 12 April, 2020, [www.egypttoday.com/Article/4/84599/Egypt%E2%80%99s-Min-of-Culture%E2%80%99s-e-initiatives-thrive-amid-Covid-19](https://www.egypttoday.com/Article/4/84599/Egypt%E2%80%99s-Min-of-Culture%E2%80%99s-e-initiatives-thrive-amid-Covid-19).



## Tax incentives for foreign investment

### Description of the measure

Tax incentives are measures designed to stimulate investments that benefit the book, entertainment, music and audiovisual industries. Many countries have introduced tax incentive schemes to attract the shooting of foreign films and television productions. The production of services represents a major part of the activities of technicians and equipment rental companies. To stimulate the return of foreign productions, professional bodies have adopted health protocols and had them approved by the competent authorities. Some governments have made their tax incentives even more attractive in order to position themselves among the first countries to be considered when choosing the location of foreign productions.

### Why choose this measure?

- Tax incentives have been proved effective, which the system spreading to numerous countries.
- Foreign productions are an important source of employment, generating opportunities to develop skills and build relationships with the most dynamic production companies.
- Places chosen as locations can benefit from the success of the production especially in terms of tourism.

### Actions to consider for implementation

- Tax incentive measures are a matter for the Ministry of Finance. Cost/benefit analyses should be carried out by independent economic analysts.
- This fiscal measure is equivalent to a direct employment subsidy, which other sectors of the economy might contest.
- Tax incentives are not enough in themselves: there also needs to be a qualified workforce, current technology, suitable shooting locations or infrastructure, appropriate regulations, easy access to permits, etc.

### Pitfalls to avoid

- Tax incentives should offer equal benefits to foreign shoots and domestic productions, which will have to compete for available labour and equipment when filming resumes.
- The incentive must be simple to administer, predictable, and compare favourably with leading countries in the field.
- A structure should be put in place for promoting the country as a destination for film shoots because of its tax advantages, technical facilities, etc. This requires a serious marketing effort.

## Examples of good practice



### Australia

In July 2020, the Government injected 400 million Australian dollars (US\$285 million) into stimulating employment in the film industry, especially behind-the-scenes jobs, and incentivizing producers to choose Australia as their film location.<sup>1</sup> Supplementing an existing programme that provided tax rebates for major film productions, this new location incentive was extended to 2026 and is expected to create 8,000 jobs in Australia. To date, 123 million Australian dollars (US\$87 million) have already been earmarked for 10 major films projects, which will bring in almost 1 billion Australian dollars (US\$710 million) and create 9,000 jobs.

1. "Film industry incentives 2020," Australian Taxation Office, consulted on 5 October, 2020, [www.ato.gov.au/Forms/Film-industry-incentives-2020/](http://www.ato.gov.au/Forms/Film-industry-incentives-2020/).



### Spain

To encourage film production in Spain, the Government and the Autonomous Communities have introduced national and regional strategies to reduce duties and tax rates for producers.<sup>2</sup> Where costs are 1 million euros (US\$1.16 million) or higher, producers of foreign audiovisual works can take advantage of a tax rebate of 20% on costs incurred in Spain. In some Spanish territories such as the Canary Islands and Navarre, this rebate could be as much as 40%. The aim of this measure is to incentivize foreign producers to make their films in Spain and create employment opportunities for local people.

2. "Incentivos fiscales en España," Ministry of Culture and Sport, Spain, consulted on 5 October, 2020, [www.culturaydeporte.gob.es/cultura/areas/cine/industria-cine/coproducir-espa/incentivos-fiscales.html](http://www.culturaydeporte.gob.es/cultura/areas/cine/industria-cine/coproducir-espa/incentivos-fiscales.html).



© Chandler-media / Unsplash

*The location incentive  
is an economic multiplier.  
It will sustain the vitality  
of Australian film production and  
support jobs and local businesses.*

*H.E. Mr Paul Fletcher  
Minister for Communications,  
Cyber Safety and the Arts,  
Australia*

# General

## Recommendations

This practical guide seeks to present a representative sample of the numerous measures adopted in many countries across all continents to assist the cultural and creative industries during the pandemic and the crisis it created. The short format with summary factsheets, chosen for practicality, obviously does not do justice to the effort involved by countries. There is no hesitation in claiming that artists, creators, cultural bodies, enterprises and institutions have been given special attention in many countries.

For those attentive enough to have read to this text, four recommendations are offered:

**1** The most effective measures are those that draw on the best ideas and match them with the real needs experienced on the ground. This blend of theory and practice produces measures with optimal chances of success. In times of crisis, it is not enough to act. Measures must be deployed swiftly and efficiently to produce the expected results and limit unwanted side effects. Participatory governance, as championed by UNESCO, notably in the 2005 Convention on the Protection and Promotion of the Diversity of Cultural Expressions,<sup>1</sup> is a fundamental principle in its elaboration and implementation. These pages contain telling examples of participatory governance, which must encompass not only civil society organizations, understood here in its broader sense to include private enterprise, socio-economic players and the academic community, but also consultation between ministries.

1. Article 11 – Participation of civil society. Parties acknowledge the fundamental role of civil society in protecting and promoting the diversity of cultural expressions. Parties shall encourage the active participation of civil society in their efforts to achieve the objectives of this Convention.

**2** The second fundamental principle on which UNESCO's action is based is that of gender equality. While women are overrepresented in the arts and culture sectors hardest hit and most at risk as a result of COVID-19, the research undertaken in compiling this practical guide failed to identify any government measures specifically aimed at promoting gender equality. Such aid does exist, but it comes from private foundations, mainly in the visual arts sector, in the form of occasional emergency support for women artists who have lost all their income or are unable to work because of health problems due to COVID-19. We must assume, and hope, that the measures taken to help the arts and culture have benefited men and women alike, without discrimination. It is recommended that the terms of reference of the audit and verification of measures taken throughout the pandemic include an assessment of their impact on women artists and culture workers to ensure they have benefited fairly.






***Not only must we support culture financially and politically, but it must be given a place at the political negotiating table.***

Omar Abiazar, Theatre director  
ResiliArt Lebanon (10 September 2020)

**3** Already before the health crisis, transnational mobility in the creative sector was greatly hindered by restrictions on immigration and the climate of insecurity. One of the main obstacles relates to the visa application process: the cost can be a deterrent, and the granting of a visa often requires an employment contract. Without public funding or sponsorship, many artists will simply not have the means to take up a creative residency, or tour in a foreign country. With the resumption of international travel once health regulations are relaxed, States should recall the commitment they made to the free movement of artists when they adopted the UNESCO 1980 Recommendation concerning the Status of the Artist, and more specifically the commitment to “take all appropriate steps to promote the free international movement of artists, and not to hinder the freedom of artists to practice their art in the country of their choice”. That said, the health crisis will undoubtedly trigger a review of programmes supporting the mobility and circulation of live performances (theatre, dance, music and circuses) to take account of two factors the crisis has thrown into sharper focus: the impact of mobility on the environment and the capacity of the digital environment to generate new, virtual forms of mobility.

**4** The fourth recommendation concerns the adaptation of cultural policies and programmes to the digital age. Here again, UNESCO has sought to raise awareness and ready all its Member States for the advent of this radical shift in cultural practices, which has undermined the diversity of cultural expressions and their ability to find their place, even in their territories of origin. In 2017, the Conference of Parties to the 2005 Convention in a sense preempted the crisis when they adopted Guidelines on the Implementation of the Convention in the Digital Environment. They recognized that technological advances would continue to create fresh challenges as well as fresh opportunities to elaborate relevant public policies and to promote the diversity of cultural expressions and the inclusion of creatives from countries where access to digital platforms or data is limited by infrastructure and cost. Governments that were still hesitating had no choice but to act. Digital technology is here to stay and is in fact the only medium that can serve the whole population in times of physical distancing. Now that this new reality is upon us, we cannot turn back. The powerful Internet groups will tighten their grip still further. Creators who have mastered digital skills will rise to the top. Experience gained during the crisis will yield a wealth of lessons. We must hope for a sharing of knowledge from which everyone can benefit in the face of this common challenge of protecting cultural diversity.



***Cultural work is best done in an environment of freedom and equity. If you are to ensure that such an environment exists, you must have a policy and legislative framework that manages the relationship between art and cultural practitioners and government and business, as well as between artists themselves. You need a policy environment that facilitates freedom with equity.***

Kimani Njogu  
Linguist and Chair of the Creative Economy Working Group  
ResiliArt Africa (28 July 2020)

Published in 2020  
by the United Nations Educational,  
Scientific and Cultural Organization  
(UNESCO)  
7, place de Fontenoy,  
75352 Paris 07 SP, France

© UNESCO 2020  
ISBN 978-92-3-100412-4



This publication is available in Open Access under the Attribution-ShareAlike 3.0 IGO (CC-BY-SA 3.0 IGO) license (<http://creativecommons.org/licenses/by-sa/3.0/igo/>). By using the content of this publication, the users accept to be bound by the terms of use of the UNESCO Open Access Repository ([www.unesco.org/open-access/terms-use-ccbysa-en](http://www.unesco.org/open-access/terms-use-ccbysa-en)).

Original title: *La culture en crise : Guide pratique pour un secteur créatif résilient*.  
Published in 2020 by the United Nations Educational, Scientific and Cultural Organization

The designations employed and the presentation of material throughout this publication do not imply the expression of any opinion whatsoever on the part of UNESCO concerning the legal status of any country, territory, city or area or of its authorities, or concerning the delimitation of its frontiers or boundaries.


The ideas and opinions expressed in this publication are those of the authors; they are not necessarily those of UNESCO and do not commit the Organization.

The images marked with an asterisk (\*) in this publication do not fall under the abovementioned CC\_BY\_SA licence and may not be used or reproduced without the prior permission of the copyright holders.

Translation: UNESCO

Cover photo:  
© Victoria Villasana et Riccardo La Valle\*

Graphic design and cover design:  
Corinne Hayworth



***Social distancing has to be  
a distancing from the body,  
not from imagination, nor from creativity,  
or from the possibility of facing  
this situation from other perspectives.***

*Fabio Rubiano  
Actor and writer  
ResiliArt Colombia  
(23 April 2020)*

# Culture in crisis

## Policy guide for a resilient creative sector

The COVID-19 pandemic and the crisis it created have had a devastating effect on the cultural and creative industries, revealing and magnifying their pre-existing volatility. Drawing on policies and measures adopted during the crisis, this practical guide highlights emergency measures that have been deemed effective and beneficial, assesses emerging trends, identifies new and existing gaps and offers practical advice to help policymakers position the cultural and creative industries in social and economic recovery plans.

*Culture in Crisis* offers advice on how to respond to the most pressing needs and how to induce the structural changes needed to strengthen the resilience of the cultural and creative industries and prepare for the “new normal”.

<http://en.unesco.org/creativity/>



United Nations  
Educational, Scientific and  
Cultural Organization



Diversity of  
Cultural Expressions



9 789231 004124